

COMPANY REGISTRATION NUMBER: NI040814

**CARN PLASTICS LIMITED**

**FILLETED UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 May 2019**

# **CARN PLASTICS LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 MAY 2019**

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# **CARN PLASTICS LIMITED**

## **CHARTERED ACCOUNTANTS REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF CARN PLASTICS LIMITED**

### **YEAR ENDED 31 MAY 2019**

As described on the statement of financial position, the directors of the company are responsible for the preparation of the financial statements for the year ended 31 May 2019, which comprise the statement of financial position and the related notes. You consider that the company is exempt from an audit under the Companies Act 2006. In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

HENRY MURRAY & CO LTD. Chartered Accountants

23 Church Place Lurgan Co Armagh BT66 6EY

22 August 2019

# CARN PLASTICS LIMITED

## STATEMENT OF FINANCIAL POSITION

**31 May 2019**

	Note	2019 £	£	2018 £
<b>FIXED ASSETS</b>				
Intangible assets	7		15,625	23,125
Tangible assets	8		30,503	36,029
			-----	-----
			46,128	59,154
<b>CURRENT ASSETS</b>				
Stocks		74,309		81,560
Debtors	9	173,279		165,786
Cash at bank and in hand		268,421		236,775
			-----	-----
		516,009		484,121
<b>CREDITORS: amounts falling due within one year</b>	10	216,536		225,842
			-----	-----
<b>NET CURRENT ASSETS</b>			299,473	258,279
			-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			345,601	317,433
<b>CREDITORS: amounts falling due after more than one year</b>	11		44	87
<b>PROVISIONS</b>				
Taxation including deferred tax			1,781	2,816
			-----	-----
<b>NET ASSETS</b>			343,776	314,530
			-----	-----
<b>CAPITAL AND RESERVES</b>				
Called up share capital	12	1,000		1,000
Profit and loss account		342,776		313,530
			-----	-----
<b>SHAREHOLDERS FUNDS</b>			343,776	314,530
			-----	-----

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

# **CARN PLASTICS LIMITED**

## **STATEMENT OF FINANCIAL POSITION** *(continued)*

**31 May 2019**

These financial statements were approved by the board of directors and authorised for issue on 22 August 2019 , and are signed on behalf of the board by:

Mr J Lavery

Director

Mrs P McManus

Director

Company registration number: NI040814

# **CARN PLASTICS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **YEAR ENDED 31 MAY 2019**

#### **1. GENERAL INFORMATION**

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is Parkside Industrial Estate, Victoria Street, LURGAN, Co Armagh, BT67 9DH.

#### **2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. ACCOUNTING POLICIES**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

##### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	5% straight line
Website Development	-	6% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and Machinery	-	25% straight line
Fixtures and Fittings	-	20% straight line
Motor Vehicles	-	25% straight line

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.



### Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

### Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

## 4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 17 (2018: 18 ).

## 5. TAX ON PROFIT

### Major components of tax expense

	2019	2018
	£	£
<b>Current tax:</b>		
UK current tax expense	17,161	7,054
<b>Deferred tax:</b>		
Origination and reversal of timing differences	( 1,034)	369
<b>Tax on profit</b>	<b>16,127</b>	<b>7,423</b>

## Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19 % (2018: 19 %).

	2019	2018
	£	£
Profit on ordinary activities before taxation	77,373	35,537
Profit on ordinary activities by rate of tax	14,701	6,690
Adjustment to tax charge in respect of prior periods	—	57
Effect of capital allowances and depreciation	2,460	685
Deferred Tax	( 1,034)	369
Profit on sale of fixed assets	—	( 378)
Tax on profit	16,127	7,423

## 6. DIVIDENDS

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2019	2018
	£	£
Equity dividends on ordinary shares	32,000	32,000

## 7. INTANGIBLE ASSETS

	Goodwill	Development costs	Total
	£	£	£
<b>Cost</b>			
At 1 June 2018 and 31 May 2019	140,000	2,470	142,470
<b>Amortisation</b>			
At 1 June 2018	116,875	2,470	119,345
Charge for the year	7,500	—	7,500
At 31 May 2019	124,375	2,470	126,845
<b>Carrying amount</b>			
At 31 May 2019	15,625	—	15,625
At 31 May 2018	23,125	—	23,125

## 8. TANGIBLE ASSETS

	Land and buildings	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 June 2018 and 31 May 2019					
2019	20,905	70,912	36,449	18,350	146,616
<b>Depreciation</b>					
At 1 June 2018	—	66,484	30,628	13,475	110,587
Charge for the year	—	2,412	1,489	1,625	5,526
At 31 May 2019	—	68,896	32,117	15,100	116,113
<b>Carrying amount</b>					

<b>At 31 May 2019</b>	20,905	2,016	4,332	3,250	<b>30,503</b>
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At 31 May 2018	20,905	4,428	5,821	4,875	36,029

**9. DEBTORS**

	2019	2018
	£	£
Trade debtors	169,287	162,395
Other debtors	3,992	3,391
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	173,279	165,786
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**10. CREDITORS: amounts falling due within one year**

	2019	2018
	£	£
Bank loans and overdrafts	1,011	18,066
Trade creditors	139,412	123,047
Corporation tax	17,161	6,997
Social security and other taxes	19,401	12,580
Contribution to Barnados	33	92
Employee Pension Scheme	1,696	886
Other creditors	37,822	64,174
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	216,536	225,842
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**11. CREDITORS: amounts falling due after more than one year**

	2019	2018
	£	£
Other creditors	44	87
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**12. CALLED UP SHARE CAPITAL****Issued, called up and fully paid**

	2019		2018	
	No.	£	No.	£
Ordinary A Shares shares of £ 1 each	800	800.00	800	800.00
Ordinary B Shares shares of £ 1 each	200	200.00	200	200.00
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	1,000	1,000.00	1,000	1,000.00
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### **13. RELATED PARTY TRANSACTIONS**

The company paid rent to a director of £8,700.60 in respect of the use of premises at Parkside Industrial Estate, Victoria Street, Lurgan. The company paid rent to Portlee Limited, a company controlled by the directors, in respect of the use of premises at Parkside Industrial Estate, Victoria Street, Lurgan. At the year end an amount of £77.40 was owed to Portlee Limited, in relation to an overpayment by Portlee Limited when reimbursing Carn Plastics Limited for expenses paid on behalf of Portlee Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.