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Alvis Contracting LLP
Annual Report and Unaudited Financial Statements
Year Ended 31 March 2023
Registration number: OC302262

Francis Clark LLP
Chartered Accountants
Blackbrook Gate 1
Blackbrook Business Park
Blackbrook Park Ave
Taunton
TA1 2PX



Alvis Contracting LLP

Balance Sheet

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	3	3,042,415	2,998,989
Current assets			
Stocks		363,395	604,389
Debtors	4	3,070,568	2,396,747
Cash and short-term deposits		439,547	339,027
		<u>3,873,510</u>	<u>3,340,163</u>
Creditors: Amounts falling due within one year	5	<u>(1,600,362)</u>	<u>(1,319,174)</u>
Net current assets		<u>2,273,148</u>	<u>2,020,989</u>
Total assets less current liabilities		5,315,563	5,019,978
Creditors: Amounts falling due after more than one year	6	<u>(574,743)</u>	<u>(801,634)</u>
Net assets attributable to members		<u>4,740,820</u>	<u>4,218,344</u>
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability		4,349,476	3,827,000
Members' other interests			
Members' capital classified as equity		391,344	391,344
		<u>4,740,820</u>	<u>4,218,344</u>
Total members' interests			
Loans and other debts due to members		4,349,476	3,827,000
Equity		391,344	391,344
		<u>4,740,820</u>	<u>4,218,344</u>

Alvis Contracting LLP

Balance Sheet

31 March 2023 (continued)

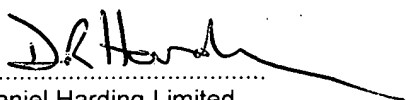
For the year ending 31 March 2023 the LLP was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to Limited Liability Partnerships. The designated members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 (as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 as applied to limited liability partnerships, and the option not to file the Profit and Loss Account has been taken.

The financial statements of Alvis Contracting LLP (registered number OC302262) were approved by the Board and authorised for issue on ~~18.12.23~~ 18.12.23. They were signed on behalf of the limited liability partnership by:



Alvis Brothers Limited
Designated member



Daniel Harding Limited
Designated member

Alvis Contracting LLP

Notes to the Financial Statements

Year Ended 31 March 2023

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

General information and basis of accounting

The limited liability partnership is incorporated in England and Wales under the Limited Liability Partnership Act 2000. The address of the registered office is given on the limited liability partnership information page. The nature of the limited liability partnership's operations and its principal activities are given in the members' report.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of Alvis Contracting LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the limited liability partnership operates. Foreign operations are included in accordance with the policies set out below.

Revenue recognition

Revenue is recognised to the extent that the limited liability partnership obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales tax or duty.

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Notes to the Financial Statements (continued)

Year Ended 31 March 2023

1 Accounting policies (continued)

Members' remuneration and division of profits

The SORP recognises that the basis of calculating profits for allocation may differ from the profits reflected through the financial statements prepared in compliance with recommended practice, given the established need to seek to focus profit allocation on ensuring equity between different generations and populations of members.

Consolidation of the results of certain subsidiary undertakings, the provision for annuities to current and former members, pension scheme charges, the spreading of acquisition integration costs and the treatment of long leasehold interests are all items which may generate differences between profits calculated for the purpose of allocation and those reported within the financial statements. Where such differences arise, they have been included within other amounts in the balance sheet.

Members' fixed shares of profits (excluding discretionary fixed share bonuses) and interest earned on members' balances are automatically allocated and, are treated as members' remuneration charged as an expense to the profit and loss account in arriving at profit available for discretionary division among members.

The remainder of profit shares, which have not been allocated until after the balance sheet date, are treated in these financial statements as unallocated at the balance sheet date and included within other reserves.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

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Notes to the Financial Statements (continued)

Year Ended 31 March 2023

1 Accounting policies (continued)

Asset class	Depreciation method and rate
Tenants improvements	10% reducing balance
Computer equipment	15% reducing balance
Plant and machinery	18% reducing balance
Fixture, fittings and equipment	15% reducing balance
Motor vehicles	20% reducing balance

Impairment of assets

At each reporting period end date, the limited liability partnership reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the limited liability partnership estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

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Notes to the Financial Statements (continued)

Year Ended 31 March 2023

1 Accounting policies (continued)

Hire purchase and leasing

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the partnership, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

Members' interests

Amounts due to members after more than one year comprise provisions for annuities to current members and certain loans from members which are not repayable within twelve months of the balance sheet date.

Financial instruments

Classification

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the limited liability partnership intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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Notes to the Financial Statements (continued)

Year Ended 31 March 2023

1 Accounting policies (continued)

Recognition and Measurement

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

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Notes to the Financial Statements (continued)

Year Ended 31 March 2023

2 Particulars of employees

The average number of persons employed by the limited liability partnership during the year was 28 (2022 - 22).

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Notes to the Financial Statements (continued)

Year Ended 31 March 2023

3 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £
Cost				
At 1 April 2022	39,758	6,903,604	9,636	190,802
Additions	-	686,323	385	1,200
Disposals	-	(727,426)	-	-
At 31 March 2023	<u>39,758</u>	<u>6,862,501</u>	<u>10,021</u>	<u>192,002</u>
Depreciation				
At 1 April 2022	28,529	4,028,656	3,551	88,896
Charge for the year	1,124	454,350	919	20,585
Eliminated on disposals	-	(558,513)	-	-
At 31 March 2023	<u>29,653</u>	<u>3,924,493</u>	<u>4,470</u>	<u>109,481</u>
Net book value				
At 31 March 2023	<u>10,105</u>	<u>2,938,008</u>	<u>5,551</u>	<u>82,521</u>
At 31 March 2022	<u>11,229</u>	<u>2,874,947</u>	<u>6,085</u>	<u>101,906</u>

Alvis Contracting LLP

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

3 Tangible fixed assets (continued)

	Office equipment £	Total £
Cost		
At 1 April 2022	8,758	7,152,558
Additions	2,193	690,101
Disposals	-	(727,426)
At 31 March 2023	10,951	7,115,233
Depreciation		
At 1 April 2022	3,936	4,153,568
Charge for the year	785	477,763
Eliminated on disposals	-	(558,513)
At 31 March 2023	4,721	4,072,818
Net book value		
At 31 March 2023	6,230	3,042,415
At 31 March 2022	4,822	2,998,989

4 Debtors

	2023 £	2022 £
Trade debtors	2,934,345	2,224,059
Other debtors	1,030	51,632
Prepayments and accrued income	135,193	121,056
Total current trade and other debtors	3,070,568	2,396,747

5 Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts	50,000	50,000
Trade creditors	520,253	517,903
Taxation and social security	386,959	16,526
Other creditors	-	4,524
HP liability 1 (under 1yr)	589,367	704,734
Accruals and deferred income	53,783	25,487
	1,600,362	1,319,174

Alvis Contracting LLP

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

5 Creditors: Amounts falling due within one year (continued)

Capital loans and other debts due to members rank pari passu with creditors, in accordance with the members' agreement. There are no restrictions on the members' ability to reduce the amount of members' other interests.

6 Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Bank loans and overdrafts	150,000	200,000
HP and finance lease liability 1 (1-2yrs)	424,743	601,634
	<u>574,743</u>	<u>801,634</u>