

Company Registration No. SC280329 (Scotland)

RICHARD THOMPSON AND SONS (PLUMBING AND HEATING) LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

PAGES FOR FILING WITH REGISTRAR

RICHARD THOMPSON AND SONS (PLUMBING AND HEATING) LTD

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RICHARD THOMPSON AND SONS (PLUMBING AND HEATING) LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Non-current assets					
Property, plant and equipment	7		79,980		75,813
Current assets					
Inventories		95,192		50,183	
Trade and other receivables	8	68,754		48,240	
Cash and cash equivalents		82,807		57,071	
		<u>246,753</u>		<u>155,494</u>	
Current liabilities	9	<u>(189,297)</u>		<u>(176,025)</u>	
Net current assets/(liabilities)			57,456		(20,531)
Total assets less current liabilities			137,436		55,282
Non-current liabilities	10		(45,000)		-
Provisions for liabilities			(8,741)		(7,142)
Net assets			<u>83,695</u>		<u>48,140</u>
Equity					
Called up share capital	11		2		2
Retained earnings			83,693		48,138
Total equity			<u>83,695</u>		<u>48,140</u>

The director of the company has elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

RICHARD THOMPSON AND SONS (PLUMBING AND HEATING) LTD

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved by the board of directors and authorised for issue on 20 December 2021 and are signed on its behalf by:

Mr J Thompson
Director

Company Registration No. SC280329

RICHARD THOMPSON AND SONS (PLUMBING AND HEATING) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Company Information

Richard Thompson and Sons (Plumbing and Heating) Ltd is a private company limited by shares incorporated in Scotland. The registered office is 26a Seatown, Lossiemouth, Moray, IV31 6JJ.

2 Compliance with accounting standards

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

3 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

4 Accounting policies

4.1 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

4.2 Intangible fixed assets - goodwill

Goodwill is the difference between the amounts paid on acquisition of a business and the fair value of the separate net assets. It has been amortised to the profit and loss account in equal annual instalments over its estimated useful economical life of ten years as assessed by the director. Goodwill is fully amortised.

RICHARD THOMPSON AND SONS (PLUMBING AND HEATING) LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

4 Accounting policies

(Continued)

4.3 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% reducing balance
Workshop	10% straight line
Computer equipment	33% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

4.4 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

4.5 Basic financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and the law enacted or substantively enacted at the balance sheet date.

RICHARD THOMPSON AND SONS (PLUMBING AND HEATING) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Accounting policies

(Continued)

4.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

4.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

4.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

4.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

4.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Total	7	5
	==	==

RICHARD THOMPSON AND SONS (PLUMBING AND HEATING) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2020 and 31 March 2021	20,000
Amortisation and impairment	
At 1 April 2020 and 31 March 2021	20,000
Carrying amount	
At 31 March 2021	-
At 31 March 2020	-

7 Property, plant and equipment

	Plant and machinery etc £
Cost	
At 1 April 2020	109,705
Additions	24,361
Disposals	(8,843)
At 31 March 2021	125,223
Depreciation and impairment	
At 1 April 2020	33,892
Depreciation charged in the year	19,641
Eliminated in respect of disposals	(8,290)
At 31 March 2021	45,243
Carrying amount	
At 31 March 2021	79,980
At 31 March 2020	75,813

8 Trade and other receivables

	2021 £	2020 £
Amounts falling due within one year:		
Trade receivables	66,347	45,381
Corporation tax recoverable	1,212	1,212
Other receivables	1,195	1,647
	68,754	48,240

RICHARD THOMPSON AND SONS (PLUMBING AND HEATING) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Current liabilities

	2021	2020
	£	£
Bank loans	5,000	-
Trade payables	19,685	13,619
Corporation tax	8,207	1,471
Other taxation and social security	20,440	20,476
Other payables	135,965	140,459
	<u>189,297</u>	<u>176,025</u>

Other payables include amounts due of £nil (2020- £4,382) under hire purchase agreements which are secured against the assets to which they relate.

10 Non-current liabilities

	2021	2020
	£	£
Bank loans and overdrafts	45,000	-
	<u>45,000</u>	<u>-</u>

11 Called up share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	2	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

12 Related party transactions

As at 31 March 2020 the company owed one of the shareholders £134,542. During the year the company met expenditure of £112 on behalf of the shareholder and at the year end the company owed the shareholder £124,430. This loan is interest free and has no fixed terms of repayment.

During the year the company paid dividends totalling £2,000 (2020 - £12,000) to the director.

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.