

Company Registration No. 01905225 (England and Wales)

CENTRAL METALS AND ALLOYS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR

CENTRAL METALS AND ALLOYS LIMITED

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CENTRAL METALS AND ALLOYS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

		2019		2018	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5	1,099,880		1,034,842	
Investment properties	6	595,000		595,000	
		<u>1,694,880</u>		<u>1,629,842</u>	
Current assets					
Stocks		626,105		491,580	
Debtors	7	220,866		355,076	
Cash at bank and in hand		655,122		557,282	
		<u>1,502,093</u>		<u>1,403,938</u>	
Creditors: amounts falling due within one year	8	<u>(266,417)</u>		<u>(211,971)</u>	
Net current assets		1,235,676		1,191,967	
Total assets less current liabilities		2,930,556		2,821,809	
Creditors: amounts falling due after more than one year	9	(378,676)		(507,366)	
Provisions for liabilities		(26,128)		(26,380)	
Net assets		<u>2,525,752</u>		<u>2,288,063</u>	
Capital and reserves					
Called up share capital	10	1,000		1,000	
Revaluation reserve		172,867		173,278	
Profit and loss reserves		2,351,885		2,113,785	
Total equity		<u>2,525,752</u>		<u>2,288,063</u>	

CENTRAL METALS AND ALLOYS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The directors acknowledge their 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.

The financial statements were approved by the board of directors and authorised for issue on 11 June 2020 and are signed on its behalf by:

Mr M J Nixon
Director

Mrs P Nixon
Director

Company Registration No. 01905225

CENTRAL METALS AND ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Central Metals and Alloys Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Grange, 2 Barton Road, Market Bosworth, Nuneaton, Warwickshire, CV13 0LQ.

1.1 Accounting convention

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. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of land and buildings and to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover 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.

1.3 Tangible fixed assets

Freehold land and buildings are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. All other fixed assets are measured at cost, net of any 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:

Freehold buildings	2% straight line
Fixtures, fittings & equipment	20% on reducing balance
Computer equipment	33% straight line
Motor vehicles	25% reducing balance

Freehold land is not depreciated.

CENTRAL METALS AND ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

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.

1.4 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date.

1.5 Fixed asset investments

1.6 Impairment of fixed assets

At each reporting period end date, the company 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 company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 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 balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CENTRAL METALS AND ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 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 profit and loss account 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

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

CENTRAL METALS AND ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases are charged to income 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 lease asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2018 - 7).

3 Amounts written off investments

	2019	2018
	£	£
Amounts written off fixed asset investments	-	294,250
Changes in the fair value of investment properties	-	99,611
	<u> </u>	<u> </u>

4 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	80,641	79,817
Adjustments in respect of prior periods	-	(42)
	<u> </u>	<u> </u>
Total current tax	<u>80,641</u>	<u>79,775</u>

CENTRAL METALS AND ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

4 Taxation	(Continued)	
	2019	2018
	£	£
Deferred tax		
Origination and reversal of timing differences	2,750	10,365
	<u> </u>	<u> </u>
Total tax charge	83,391	90,140
	<u> </u>	<u> </u>

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2019	2018
	£	£
Deferred tax arising on:		
Revaluation of property	(3,002)	16,015
	<u> </u>	<u> </u>

CENTRAL METALS AND ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2019	995,000	143,944	1,138,944
Additions	-	137,604	137,604
Disposals	-	(80,094)	(80,094)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	995,000	201,454	1,196,454
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 January 2019	-	104,102	104,102
Depreciation charged in the year	17,048	41,211	58,259
Eliminated in respect of disposals	-	(65,787)	(65,787)
	<hr/>	<hr/>	<hr/>
At 31 December 2019	17,048	79,526	96,574
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 December 2019	977,952	121,928	1,099,880
	<hr/>	<hr/>	<hr/>
At 31 December 2018	995,000	39,842	1,034,842
	<hr/>	<hr/>	<hr/>

The land and buildings were revalued at 31 December 2018 to a value of £995,000, as valued by the directors. The directors consider this still represents fair value as at 31 December 2019.

The original costs of land and buildings, had they not been revalued, was £846,612.

6 Investment property

	2019 £
Fair value	
At 1 January 2019 and 31 December 2019	595,000
	<hr/>

The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 December 2018 by the directors. In arriving at the valuation the directors considered market evidence of transaction prices for similar properties.

CENTRAL METALS AND ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

7 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	215,718	346,640
Other debtors	5,148	8,436
	<u>220,866</u>	<u>355,076</u>

8 Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans	27,001	23,203
Trade creditors	61,643	784
Taxation and social security	133,193	135,171
Other creditors	44,580	52,813
	<u>266,417</u>	<u>211,971</u>

The bank loan of £27,001 (2018: £23,203) is secured over the relevant property to which the loan relates.

9 Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	378,676	507,366
	<u>378,676</u>	<u>507,366</u>

The above bank loan of £378,676 (2018: £507,366) is secured over the relevant property to which the loan relates.

Creditors which fall due after five years are as follows:

	2019	2018
	£	£
Payable by instalments	262,204	407,280
	<u>262,204</u>	<u>407,280</u>

CENTRAL METALS AND ALLOYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

10 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary Shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>

11 Profit and loss reserves

Profit and loss reserves of £2,351,885 (2018: £2,113,785) include non-distributable reserves relating to fair value adjustments of £89,246 (2018: £89,246).

12 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2019	2018
£	£
2,880	5,670
<u> </u>	<u> </u>

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