

**Company Registration No. 02536812 (England and Wales)**

**ABBAY PYNFORD LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 MAY 2021**

**PAGES FOR FILING WITH REGISTRAR**



**ABBAY PYNFORD LIMITED**

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**ABBAY PYNFORD LIMITED**

**BALANCE SHEET**

**AS AT 31 MAY 2021**

	Notes	2021 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	4		291,628		324,183
<b>Current assets</b>					
Debtors	5	2,430,999		1,312,617	
Cash at bank and in hand		501,041		416,203	
		<u>2,932,040</u>		<u>1,728,820</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(2,455,430)</u>		<u>(1,743,358)</u>	
<b>Net current assets/(liabilities)</b>			<u>476,610</u>		<u>(14,538)</u>
<b>Total assets less current liabilities</b>			<u>768,238</u>		<u>309,645</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(122,500)		(3,058)
<b>Provisions for liabilities</b>			<u>(17,803)</u>		<u>(6,823)</u>
<b>Net assets</b>			<u><u>627,935</u></u>		<u><u>299,764</u></u>
<b>Capital and reserves</b>					
Called up share capital	8		100		100
Profit and loss reserves			<u>627,835</u>		<u>299,664</u>
<b>Total equity</b>			<u><u>627,935</u></u>		<u><u>299,764</u></u>

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

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 10 January 2022 and are signed on its behalf by:

S E Wilson  
**Director**

**Company Registration No. 02536812**



## **ABBEEY PYNFORD LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 MAY 2021**

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#### **1 Accounting policies**

##### **Company information**

Abbey Pynford Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2-6, Bilton Way, Dallow Road, Luton, Bedfordshire, LU1 1UU.

##### **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. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

Abbey Pynford Limited reported a profit for the period of £328,171 (2019 - £141,472 year), whereas the Abbey Pynford Group is expected to report a loss for the period of £743,395 (2019 - £782,780 year). This continued to be a period of change within the Group where significant restructuring and relocation costs continued to be incurred.

Looking forward, the directors have focused on reducing operational costs and are confident that the restructure and lifting of UK restrictions as a result of the pandemic will result in profitability in the future.

After the period end the Directors have secured additional financing for the Group. On the assumption that the terms and conditions specified in the draft agreement are met, the Directors have prepared cashflow forecasts which show that following this further injection of cash, cash reserves, overdraft and invoice discounting facilities are sufficient to support the group until they return to profitability.

Therefore, the directors have reasonable expectation that at the time of approving the financial statements the company had adequate reserves to continue in operational existence for the next twelve months.

##### **1.3 Reporting period**

The current reporting period is 18 months in length, and therefore the prior year is not comparable. As a result of the change in strategy, restructure, and the effect of COVID-19 disruption to the business the board agreed to extend the accounting period by 6 months. The extension was also implemented to align the accounting period more closely with that of their housebuilder client base.

##### **1.4 Turnover**

Revenue represents the total invoice value, excluding value added tax, trade discounts and all other taxes of sales made during the year.

Revenue is recognised when goods have been delivered and services supplied to customers such that risks and rewards of ownership have transferred to them.

Management fee income is recorded in the period the service is provided.

##### **1.5 Research and development expenditure**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.



**ABBEEY PYNFORD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 MAY 2021**

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**1 Accounting policies**

**(Continued)**

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

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

Fixtures and fittings	25% straight line
Motor vehicles	25% straight line

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.

**1.7 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.

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.

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.

**1.8 Construction contracts**

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period.



**ABBEEY PYNFORD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 MAY 2021**

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**1 Accounting policies**

**(Continued)**

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

**1.9 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.

**1.10 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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.

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.

**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.

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.



**ABBEEY PYNFORD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 MAY 2021**

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**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, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.11 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.

**1.12 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 liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.



**ABBEEY PYNFORD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 MAY 2021**

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**1 Accounting policies**

**(Continued)**

**1.13 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 fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.14 Retirement benefits**

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

**1.15 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 balance sheet 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.

**2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are 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.



**ABBEEY PYNFORD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 MAY 2021**

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**2 Judgements and key sources of estimation uncertainty**

**(Continued)**

**Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

**Useful economic life of tangible assets**

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets.

**Long term contracts**

Long term contracts are assessed on a contract basis and are reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Where the outcome of each long term contract can be assessed with reasonable certainty before its conclusion the attributable profit is recognised in the income statement as the difference between the reported turnover and the related cost for that contract.

Sales accruals, which are included in debtors, are stated at the net sales value of the work done after provisions for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments received on account.

**3 Employees**

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

	<b>2021 Number</b>	<b>2019 Number</b>
Total	12	5
	<u>          </u>	<u>          </u>



ABBEEY PYNFORD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2021

4 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 December 2019	632,098
Additions	36,079
Disposals	(2,349)
	<hr/>
At 31 May 2021	665,828
	<hr/>
<b>Depreciation and impairment</b>	
At 1 December 2019	307,915
Depreciation charged in the period	68,316
Eliminated in respect of disposals	(2,031)
	<hr/>
At 31 May 2021	374,200
	<hr/>
<b>Carrying amount</b>	
At 31 May 2021	291,628
	<hr/>
At 30 November 2019	324,183
	<hr/>

5 Debtors

	2021	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	874,211	-
Amounts owed by group undertakings	262,715	1,249,914
Other debtors	1,294,073	62,703
	<hr/>	<hr/>
	2,430,999	1,312,617
	<hr/>	<hr/>



**ABBNEY PYNFORD LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 MAY 2021**

**6 Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans	27,500	-
Trade creditors	889,268	25,620
Amounts owed to group undertakings	548,488	1,491,931
Corporation tax	(2)	-
Other taxation and social security	58,220	19,969
Other creditors	931,956	205,838
	<u>2,455,430</u>	<u>1,743,358</u>

Amounts falling due under hire purchase contracts are secured against the assets concerned.

Other companies within the Abbey Pynford group have entered into debt purchase agreements with their bankers. These are secured by a fixed and floating charge over the assets and properties of the Abbey Pynford group of companies. The group also has a bank set off agreement, omnibus guarantee and fixed and floating charge.

During the period, loans were obtained under the Bounce Back Loan scheme introduced by the UK government in response to the Coronavirus pandemic. The loans totaled £150,000 with an interest rate of 2.5% which is repayable over 5 years.

**7 Creditors: amounts falling due after more than one year**

	<b>2021</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	122,500	-
Other creditors	-	3,058
	<u>122,500</u>	<u>3,058</u>

**8 Called up share capital**

	<b>2021</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100

**9 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Mark Cassidy FCA.

The auditor was Mercer & Hole.



**ABBNEY PYNFORD LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 MAY 2021****10 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:

2021	2019
£	£
555,750	62,764
<u>555,750</u>	<u>62,764</u>

**11 Related party transactions**

The company is a wholly owned subsidiary of Abbey Pynford Holdings Limited and as such has taken advantage of the exemption permitted by FRS 102 Section 33 Related Party Disclosures not to provide disclosures of transactions entered into with other wholly owned members of the group.

**12 Directors' transactions**

Included in other creditors is an amount relating to loans provided to the company by its directors. This amount is interest free and payable on demand.

Description	% Rate	Opening balance £	Amounts advanced £	Closing balance £
Directors' loan account	-	(79,174)	3,060	(76,114)
		<u>(79,174)</u>	<u>3,060</u>	<u>(76,114)</u>

**13 Parent company**

The company is a wholly owned subsidiary of Abbey Pynford Holdings Limited, a company incorporated in England and Wales whose registered office is Unit 2-6 Bilton Way, Dallow Road, Luton, Bedfordshire, LU1 1UU.

Abbey Pynford Holdings Limited is the parent undertaking of the smallest and largest group which prepares publicly available consolidated financial statements for the period ended 31 May 2021. Copies of the consolidated financial statements may be obtained from Unit 2-6 Bilton Way, Dallow Road, Luton, Bedfordshire, LU1 1UU.

**14 Contingent liabilities**

Substantial insurance cover in respect of professional negligence claims is obtained from the commercial market. Provisions are made for any claims that may become payable where the company has knowledge of circumstances that may give rise to a claim and the facts indicate that provision would be prudent. Provisions made are net of anticipated recoveries from insurers.



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.