

Archer Signs and Panels Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2020



HALLIDAYS

Archer Signs and Panels Limited

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Archer Signs and Panels Limited

(Registration number: 02624750)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	<u>5</u>	49,539	44,144
Tangible assets	<u>6</u>	85,518	105,444
		<u>135,057</u>	<u>149,588</u>
Current assets			
Stocks	<u>7</u>	83,662	86,624
Debtors	<u>8</u>	109,162	160,763
Investments	<u>9</u>	10,000	10,000
Cash at bank and in hand		8,946	42,615
		<u>211,770</u>	<u>300,002</u>
Creditors: Amounts falling due within one year	<u>10</u>	(235,734)	(262,281)
Net current (liabilities)/assets		<u>(23,964)</u>	<u>37,721</u>
Total assets less current liabilities		111,093	187,309
Creditors: Amounts falling due after more than one year	<u>10</u>	(40,549)	(57,543)
Provisions for liabilities		<u>(5,099)</u>	<u>(12,645)</u>
Net assets		<u>65,445</u>	<u>117,121</u>
Capital and reserves			
Called up share capital		80	80
Capital redemption reserve		20	20
Profit and loss account		<u>65,345</u>	<u>117,021</u>
Shareholders' funds		<u>65,445</u>	<u>117,121</u>

For the financial year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the profit and loss account has been taken.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Archer Signs and Panels Limited
(Registration number: 02624750)
Balance Sheet as at 31 March 2020

Approved and authorised by the director on 29 March 2021

Mrs G A Merritt

Director

Archer Signs and Panels Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Unit 6 Daniels Way
Hucknall
Nottingham
NG15 7LL

2 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.

Basis of preparation

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.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Archer Signs and Panels Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & Machinery	20% reducing balance
Fixtures & Fittings	25% reducing balance
Motor Vehicles	25% on cost
Office equipment	25% on cost

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Intangible assets

Costs incurred in the development of the website through which the company transacts business are shown at historical cost, less any subsequent accumulated amortisation.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	over 10 years
Other Intangible Assets	over 10 years

Archer Signs and Panels Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment. Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress 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. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Archer Signs and Panels Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 11 (2019 - 13).

Archer Signs and Panels Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

4 Loss before tax

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	20,350	25,507
Amortisation expense	9,989	8,450

5 Intangible assets

	Goodwill £	Other intangible assets £	Total £
Cost or valuation			
At 1 April 2019	37,500	47,000	84,500
Additions acquired separately	-	15,383	15,383
At 31 March 2020	37,500	62,383	99,883
Amortisation			
At 1 April 2019	26,256	14,100	40,356
Amortisation charge	3,750	6,238	9,988
At 31 March 2020	30,006	20,338	50,344
Carrying amount			
At 31 March 2020	7,494	42,045	49,539
At 31 March 2019	11,244	32,900	44,144

Archer Signs and Panels Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

6 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Plant and Machinery £	Total £
Cost or valuation					
At 1 April 2019	41,961	90,234	3,000	531,691	666,886
Additions	-	424	-	-	424
At 31 March 2020	41,961	90,658	3,000	531,691	667,310
Depreciation					
At 1 April 2019	31,961	80,887	3,000	445,593	561,441
Charge for the year	-	3,131	-	17,220	20,351
At 31 March 2020	31,961	84,018	3,000	462,813	581,792
Carrying amount					
At 31 March 2020	10,000	6,640	-	68,878	85,518
At 31 March 2019	10,000	9,346	-	86,098	105,444

Included within the net book value of land and buildings above is £10,000 (2019 - £10,000) in respect of long leasehold land and buildings.

Archer Signs and Panels Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

7 Stocks

	2020 £	2019 £
Other inventories	83,662	86,624

8 Debtors

	2020 £	2019 £
Trade debtors	62,748	96,453
Other debtors	31,487	47,989
Prepayments	14,927	16,321
Total current trade and other debtors	109,162	160,763

9 Current asset investments

	2020 £	2019 £
Shares in group undertakings	10,000	10,000

10 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Bank loans and overdrafts	11	94,746	102,964
Trade creditors		72,950	87,796
Taxation and social security		37,770	42,146
Other creditors		30,268	29,375
		235,734	262,281

Creditor amounts falling due within one year includes the above liabilities, on which a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant & machinery.

Due after one year

Loans and borrowings	11	40,549	57,543
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Archer Signs and Panels Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Hire Purchases

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Not later than one year	42,713	42,713

The amount of non-cancellable hire purchase payments recognised as an expense during the year was £14,733 (2019 £17,608).

11 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	40,549	51,351
Finance lease liabilities	-	6,192
	<u>40,549</u>	<u>57,543</u>

The bank has a debenture held over all monies due or to become due from the company to the bank on any account whatsoever including invoice financing. It is a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, uncalled capital, buildings, fixtures, fixed plant & machinery.

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	27,968	16,619
Bank overdrafts	61,440	80,793
Finance lease liabilities	5,338	5,552
	<u>94,746</u>	<u>102,964</u>

Archer Signs and Panels Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

12 Related party transactions

Other transactions with directors

At the balance sheet date the amount due from the directors was £21,313 (2019: £31,313). This amount is on an interest free basis and repayable on demand.

13 Control

The company is controlled by one of the directors by virtue of her shareholdings.

Yew Street

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.

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