

London Needs Cooling Limited

Annual Report and Unaudited Abridged Financial Statements
for the Year Ended 31 March 2021

The McCay Partnership
Chartered Accountants
Unit 24
Capital Business Centre
22 Carlton Road
South Croydon
Surrey
CR2 0BS

London Needs Cooling Limited

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London Needs Cooling Limited

Company Information

Directors	I A Stevens
	J J Smith
	R S James
Company secretary	S Smith
Registered office	C/o The McCay Partnership 24 Capital Business Centre 22 Carlton Road South Croydon Surrey CR2 0BS
Accountants	The McCay Partnership Chartered Accountants Unit 24 Capital Business Centre 22 Carlton Road South Croydon Surrey CR2 0BS

London Needs Cooling Limited
(Registration number: 03953421)
Abridged Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	34,658	54,874
Current assets			
Stocks	<u>5</u>	443,670	105,881
Debtors		408,093	368,974
Cash at bank and in hand		6,918	104,804
		858,681	579,659
Prepayments and accrued income		16,780	17,161
Creditors: Amounts falling due within one year		(856,683)	(624,509)
Net current assets/(liabilities)		18,778	(27,689)
Total assets less current liabilities		53,436	27,185
Creditors: Amounts falling due after more than one year		(43,815)	(23,443)
Accruals and deferred income		(3,050)	(3,050)
Net assets		6,571	692
Capital and reserves			
Called up share capital	<u>6</u>	100	100
Profit and loss account		6,471	592
Shareholders' funds		6,571	692

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.

These 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.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

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

Directors' 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 directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

London Needs Cooling Limited
(Registration number: 03953421)
Abridged Balance Sheet as at 31 March 2021

Approved and authorised by the Board on 22 February 2022 and signed on its behalf by:

.....
J J Smith
Director

London Needs Cooling Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 March 2021

1 General information

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

The address of its registered office is:

C/o The McCay Partnership
24 Capital Business Centre
22 Carlton Road
South Croydon
Surrey
CR2 0BS
England

The principal place of business is:

50 Chapel View
South Croydon
Surrey
CR2 7LF

These financial statements were authorised for issue by the Board on 22 February 2022.

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 abridged 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 abridged 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.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services 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.

London Needs Cooling Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 March 2021

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current 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.

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
Motor vehicles	20% straight line
Fixtures, fittings and equipment	20% reducing basis

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.

London Needs Cooling Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 March 2021

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

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.

London Needs Cooling Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 March 2021

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 directors) during the year, was 25 (2020 - 26).

London Needs Cooling Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 March 2021

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 April 2020	15,395	196,168	211,563
At 31 March 2021	15,395	196,168	211,563
Depreciation			
At 1 April 2020	9,672	147,017	156,689
Charge for the year	1,145	19,071	20,216
At 31 March 2021	10,817	166,088	176,905
Carrying amount			
At 31 March 2021	4,578	30,080	34,658
At 31 March 2020	5,723	49,151	54,874

5 Stocks

	2021 £	2020 £
Work in progress	443,670	105,881

6 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100

7 Dividends

Interim dividends paid

	2021 £	2020 £
Interim dividend of £1,250 (2020 - £1,100) per each Ordinary	125,000	110,000

London Needs Cooling Limited

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 March 2021

8 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	26,000	26,000
Contributions paid to money purchase schemes	16,300	13,944
	<u>42,300</u>	<u>39,944</u>

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.