Registration number: 05846370

PREPARED FOR THE REGISTRAR

FOREST OF DEAN STONE FIRMS LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

FOREST OF DEAN STONE FIRMS LIMITED

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FOREST OF DEAN STONE FIRMS LIMITED

COMPANY INFORMATION

Directors	S C P Hart J P L Hart
Registered office	Staverton Court Staverton Cheltenham Gloucestershire GL51 0UX
Accountants	Hazlewoods LLP Staverton Court Staverton Cheltenham Gloucestershire GL51 0UX

FOREST OF DEAN STONE FIRMS LIMITED

(REGISTRATION NUMBER: 05846370)
BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	-	1,778,117
Tangible assets	5	867,257	1,118,849
Investments	6	500	-
		867,757	2,896,966
Current assets			
Stocks		266,492	363,000
Debtors	7	170,256	139,830
Cash at bank and in hand		70,174	203
		506,922	503,033
Creditors: Amounts falling due within one year	8	(865,021)	(491,149)
Net current (liabilities)/assets		(358,099)	11,884
Total assets less current liabilities		509,658	2,908,850
Creditors: Amounts falling due after more than one year	8	(104,829)	(116,515)
Deferred tax liabilities		(20,863)	(115,806)
Net assets		383,966	2,676,529
Capital and reserves			
Called up share capital		2,700,000	2,700,000
Profit and loss account		(2,316,034)	(23,471)
Total equity		383,966	2,676,529

For the financial year ending 31 December 2020 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.

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.

Approved and authorised by the Board on 29/7/2021 and signed on its behalf by:

Simon Hart

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S C P Hart
Director

The notes on pages 3 to 9 form an integral part of these financial statements.

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:
Staverton Court
Staverton
Cheltenham
Gloucestershire
GL51 0UX

The principal place of business is:
Bixslade Stone Works
Parkend
Lydney
Gloucestershire
GL15 4JS

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 for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is UK £, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

Group accounts not prepared
The company has taken advantage of the exemption in section 398 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, on the grounds that it is a small group.

Going concern
After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate available resources to continue in operational existence for the foreseeable future. The directors therefore continue to adopt the going concern basis in preparing the financial statements.

Critical accounting 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 amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements
No significant judgements have been made by management in preparing these financial statements.

Key sources of estimation uncertainty
No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

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 and after eliminating sales within the company.

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. The company consider that the risks and rewards of ownership pass when products are delivered to customers and it is at this point revenue is recognised.

Government grants
Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Tax
The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge 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.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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**
Leasehold improvements	5% straight line
Plant and machinery	15% reducing balance
Fixtures and equipment	10% straight line
Motor vehicles	25% reducing balance

Business combinations
Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the company in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the company includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Goodwill
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
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.

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	At rates reflecting the extraction of minerals from the quarry

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.

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

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. 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 debtors.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

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. Trade creditors 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 all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

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.

Financial instruments

Classification
Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

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.

Leases
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, unless there is reasonable certainty that ownership will pass in which case these assets are depreciated over their useful lives. 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.

Leases in which all of 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 bases over the period of the lease.

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 34 (2019 - 35).

4 Intangible assets

	Goodwill £
Cost	
At 1 January 2020	2,155,151
At 31 December 2020	2,155,151
Amortisation	
At 1 January 2020	377,034
Amortisation charge	3,741
Impairment	1,774,376
At 31 December 2020	2,155,151
Carrying amount	
At 31 December 2020	-
At 31 December 2019	1,778,117

FOREST OF DEAN STONE FIRMS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5 Tangible assets

	Leasehold improvements £	Plant and machinery £	Fixtures and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2020	432,079	2,646,889	14,161	3,650	3,096,779
Additions	-	12,034	-	-	12,034
Disposals	-	(577,525)	-	-	(577,525)
At 31 December 2020	432,079	2,081,398	14,161	3,650	2,531,288
Depreciation					
At 1 January 2020	197,705	1,766,243	11,109	2,873	1,977,930
Charge for the year	21,604	132,279	834	194	154,911
Eliminated on disposal	-	(468,810)	-	-	(468,810)
At 31 December 2020	219,309	1,429,712	11,943	3,067	1,664,031
Carrying amount					
At 31 December 2020	212,770	651,686	2,218	583	867,257
At 31 December 2019	234,374	880,646	3,052	777	1,118,849

6 Investments

	2020 £	2019 £
Investments in subsidiaries	500	-

Subsidiaries	£
Cost	
At 1 January 2020	-
Additions	500
At 31 December 2020	500
Carrying amount	
At 31 December 2020	500

7 Debtors

	2020 £	2019 £
Trade debtors	115,712	132,969
Other debtors	46,251	6,861
Corporation tax asset	8,293	-
	170,256	139,830

8 Creditors

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	9	92,017	267,841
Trade creditors		122,347	119,749
Amounts due to related parties		490,100	-
Social security and other taxes		130,592	38,031
Other creditors		49	41,595
Accrued expenses		29,123	14,707
Corporation tax liability		-	8,293
Deferred income		793	933
		865,021	491,149
Due after one year			
Loans and borrowings	9	100,336	111,230
Deferred income		4,493	5,285
		104,829	116,515

9 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	43,333	37,500
Bank overdrafts	-	109,692
Finance lease liabilities	48,684	52,249
Other borrowings	-	68,400
	92,017	267,841

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	60,422	37,500
Finance lease liabilities	39,914	73,730
	100,336	111,230

Bank borrowings
Bank borrowings of £53,755 (2019 - £75,000) and bank overdrafts are secured by fixed and floating charges over the assets of the company.

Finance lease liabilities
Finance lease liabilities are secured over the asset to which they relate.

Other borrowings
Other borrowings are secured against certain trade debtors of the company.

10 Financial commitments, guarantees and contingencies

At 31 December 2020, the company had total commitments under non-cancellable operating leases over the remaining life of those leases of £110,000 (2019 - £115,000).