Company Registration No. 06743982 (England and Wales)

RICHARDS CHASSIS LIMITED

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 NOVEMBER 2019

PAGES FOR FILING WITH REGISTRAR

Company Registration No. 06743982

RICHARDS CHASSIS LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Intangible assets	4		-		-
Tangible assets	5		851,963		644,791
			851,963		644,791
Current assets					
Stocks		241,954		219,792	
Debtors	6	918,450		278,653	
Cash at bank and in hand		129,867		887,891	
		1,290,271		1,386,336	
Creditors: amounts falling due within one year	7	(346,779)		(473,047)	
Net current assets			943,492		913,289
Total assets less current liabilities			1,795,455		1,558,080
Creditors: amounts falling due after more than one year	8		(204,962)		(44,773)
Provisions for liabilities	9		(85,242)		(35,962)
Net assets			1,505,251		1,477,345
Capital and reserves					
Called up share capital	11		20		20
Profit and loss reserves			1,505,231		1,477,325
Total equity			1,505,251		1,477,345

Company Registration No. 06743982

RICHARDS CHASSIS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 NOVEMBER 2019

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 November 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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.

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 04-09-2020 and are signed on its behalf by:

A M Banks
Director

D Banks
Director

1 Accounting policies

Company information

Richards Chassis Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Unit F2, Swinton Bridge Industrial estate, Whitelee Road, Swinton, S64 8BH.

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", including the adoption of the amendments in December 2017 ("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.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The recent events surrounding Covid-19 create significant uncertainty for all businesses and the wider economy. Whilst the directors have contingency plans in place to try to mitigate the risks that the business faces in the forthcoming 12 months as a direct result of this and consider that the going concern basis remains appropriate, that uncertainty remains.

The accounts include no adjustments, which might be found necessary, should it transpire that the going concern basis is no longer appropriate.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

Tangible fixed assets

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

1 Accounting policies (Continued)

Tangible fixed assets (continued)
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:

Land and buildings	2% straight line and 10% straight line
Plant and equipment	15% reducing balance and 33% straight line
Fixtures and fittings	33% straight line
Motor vehicles	25% reducing balance

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.

Impairment of fixed assets
At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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

Cash and cash equivalents
Cash and cash equivalents are basic financial instruments 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 Accounting policies (Continued)

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 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 trade and other debtors, amounts due from group undertakings 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 trade and other creditors, 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.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

1 Accounting policies (Continued)

Taxation (continued)
Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

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.

Retirement benefits
For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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 statement of financial position 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.

1 Accounting policies (Continued)

Foreign exchange
Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 31 (2018 - 30).

3 Directors' remuneration and dividends

	2019	2018
	£	£
Remuneration paid to directors	105,365	96,292
Dividends paid to directors	-	154,500

4 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 December 2018 and 30 November 2019	60,000
Amortisation and impairment	
At 1 December 2018 and 30 November 2019	60,000
Carrying amount	
At 30 November 2019	-
At 30 November 2018	-

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 December 2018	353,429	544,423	897,852
Additions	13,813	357,611	371,424
Disposals	-	(132,537)	(132,537)
At 30 November 2019	367,242	769,497	1,136,739
Depreciation and impairment			
At 1 December 2018	8,349	244,712	253,061
Depreciation charged in the year	9,987	105,457	115,444
Eliminated in respect of disposals	-	(83,729)	(83,729)
At 30 November 2019	18,336	266,440	284,776
Carrying amount			
At 30 November 2019	348,906	503,057	851,963
At 30 November 2018	345,080	299,711	644,791

6 Debtors

Amounts falling due within one year:	2019 £	2018 £
Trade debtors	205,799	232,992
Amounts owed by group undertakings	656,672	-
Other debtors	55,979	45,661
	918,450	278,653

7 Creditors: amounts falling due within one year

	2019 £	2018 £
Obligations under finance leases	66,025	20,418
Trade creditors	158,153	200,423
Corporation tax	25,007	102,758
Other taxation and social security	72,266	66,682
Other creditors	9,413	78,769
Accruals and deferred income	15,915	3,997
	346,779	473,047

Hire purchase assets are secured on the assets to which they relate, this amounts to £66,025 (2019: £20,418) and is included within obligations under finance leases.

8 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other creditors	204,962	44,773

Hire purchase assets are secured on the assets to which they relate, this amounts to £204,962 (2019: £44,773) and is included within other creditors.

9 Provisions for liabilities

		2019 £	2018 £
Deferred tax liabilities	10	85,242	35,962

10 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

Balances:	Liabilities 2019 £	Liabilities 2018 £
Accelerated capital allowances	85,242	35,962

Movements in the year:	2019 £
Liability at 1 December 2018	35,962
Charge to profit or loss	49,280
Liability at 30 November 2019	85,242

11 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
20 Ordinary shares of £1 each	20	20
	20	20

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, which fall due as follows:

	2019 £	2018 £
Within one year	1,226	-
Between one and five years	1,226	-
	2,452	-

13 Related party transactions

At the year end, the company was owed £10,611 (2018: £nil) by Chassis Delivery Solutions LLP in which the directors of the company are both partners, this is included within other debtors. The purchases in the year from the LLP amounted to £53,088 (2018: £nil).

At the year end, the company was owed £656,672 (2018: £nil) by ACD Holdings Limited, this is included within other debtors.

A Banks was given an advance of £85,508, of which £85,470 was repaid prior to the year end. At 30 November 2019 the amount due from the company was £nil (2018: £38).

D Banks was given an advance of £100,872, of which £35,888 was repaid prior to the year end. At 30 November 2019 the amount due from the company was £nil (2018: £64,984).

14 Parent company

At the balance sheet date, the immediate and ultimate parent undertaking was ACD Holdings Limited, a company incorporated in England and Wales.