

Company registration number 07556814 (England and Wales)

DRUMMOND HEATING LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
PAGES FOR FILING WITH REGISTRAR

DRUMMOND HEATING LIMITED

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DRUMMOND HEATING LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|--|-------|------------------|-----------------------|------------------|-----------------------|
| Fixed assets | | | | | |
| Tangible assets | 5 | | 117,960 | | 125,063 |
| Current assets | | | | | |
| Stocks | | 20,000 | | - | |
| Debtors | 6 | 293,245 | | 269,056 | |
| Cash at bank and in hand | | 142,247 | | 263,685 | |
| | | <u>455,492</u> | | <u>532,741</u> | |
| Creditors: amounts falling due within one year | 7 | <u>(299,659)</u> | | <u>(364,754)</u> | |
| Net current assets | | | <u>155,833</u> | | <u>167,987</u> |
| Total assets less current liabilities | | | <u>273,793</u> | | <u>293,050</u> |
| Creditors: amounts falling due after more than one year | 8 | | <u>(62,899)</u> | | <u>(105,921)</u> |
| Net assets | | | <u><u>210,894</u></u> | | <u><u>187,129</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | 9 | | 100 | | 100 |
| Profit and loss reserves | | | <u>210,794</u> | | <u>187,029</u> |
| Total equity | | | <u><u>210,894</u></u> | | <u><u>187,129</u></u> |

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

For the financial year ended 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

DRUMMOND HEATING LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The financial statements were approved by the board of directors and authorised for issue on 22 December 2023 and are signed on its behalf by:

Miss H Drummond
Director

Company Registration No. 07556814

DRUMMOND HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Drummond Heating Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 37, Basepoint Premier Way, Romsey, SO51 9AQ.

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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.3 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 5 years.

1.4 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.

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:

| | |
|-----------------------------|--------------------------|
| Freehold land and buildings | 20% straight line |
| Plant and equipment | 10%-33% reducing balance |
| 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.

1.5 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 cost and replacement cost, adjusted where applicable for any loss of service potential.

DRUMMOND HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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.

1.6 Financial instruments

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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.7 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.

1.8 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.

1.9 Retirement benefits

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

DRUMMOND HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.10 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.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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.

3 Employees

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

| | 2023 Number | 2022 Number |
|-------|----------------|----------------|
| Total | 13 | 13 |
| | == | == |

DRUMMOND HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Intangible fixed assets

| | Goodwill £ |
|------------------------------------|---------------|
| Cost | |
| At 1 April 2022 and 31 March 2023 | 20,000 |
| Amortisation and impairment | |
| At 1 April 2022 and 31 March 2023 | 20,000 |
| Carrying amount | |
| At 31 March 2023 | - |
| At 31 March 2022 | - |

5 Tangible fixed assets

| | Freehold land and buildings £ | Plant and equipment £ | Motor vehicles £ | Total £ |
|------------------------------------|-------------------------------------|-----------------------------|---------------------|------------|
| Cost | | | | |
| At 1 April 2022 | 10,690 | 17,610 | 227,008 | 255,308 |
| Additions | - | 3,448 | 27,888 | 31,336 |
| Disposals | - | - | (22,773) | (22,773) |
| At 31 March 2023 | 10,690 | 21,058 | 232,123 | 263,871 |
| Depreciation and impairment | | | | |
| At 1 April 2022 | 10,690 | 7,461 | 112,094 | 130,245 |
| Depreciation charged in the year | - | 2,394 | 27,838 | 30,232 |
| Eliminated in respect of disposals | - | - | (14,566) | (14,566) |
| At 31 March 2023 | 10,690 | 9,855 | 125,366 | 145,911 |
| Carrying amount | | | | |
| At 31 March 2023 | - | 11,203 | 106,757 | 117,960 |
| At 31 March 2022 | - | 10,149 | 114,914 | 125,063 |

6 Debtors

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 219,711 | 176,795 |
| Corporation tax recoverable | - | 1,507 |
| Other debtors | 71,514 | 88,934 |
| Prepayments and accrued income | 2,020 | 1,820 |
| | 293,245 | 269,056 |

DRUMMOND HEATING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|----------------|----------------|
| Bank loans | 10,648 | 9,982 |
| Obligations under finance leases | 53,301 | 34,364 |
| Trade creditors | 146,033 | 254,837 |
| Corporation tax | 28,373 | 8,656 |
| Other taxation and social security | 23,710 | 22,640 |
| Other creditors | 31,979 | 29,775 |
| Accruals and deferred income | 5,615 | 4,500 |
| | <u>299,659</u> | <u>364,754</u> |

8 Creditors: amounts falling due after more than one year

| | Notes | 2023 £ | 2022 £ |
|----------------------------------|-------|---------------|----------------|
| Bank loans and overdrafts | | 23,375 | 33,706 |
| Obligations under finance leases | | 39,524 | 72,215 |
| | | <u>62,899</u> | <u>105,921</u> |

9 Called up share capital

| | 2023 Number | 2022 Number | 2023 £ | 2022 £ |
|-------------------------------|----------------|----------------|------------|------------|
| Ordinary share capital | | | | |
| Issued and fully paid | | | | |
| Ordinary shares of £1 each | 60 | 60 | 60 | 60 |
| Ordinary A shares of £1 each | 30 | 30 | 30 | 30 |
| Ordinary B shares of £1 each | 10 | 10 | 10 | 10 |
| | <u>100</u> | <u>100</u> | <u>100</u> | <u>100</u> |

10 Directors' transactions

| Description | % Rate | Opening balance £ | Amounts advanced £ | Interest charged £ | Amounts repaid £ | Closing balance £ |
|-------------------------|--------|-------------------------|--------------------------|-----------------------|---------------------|----------------------|
| Director's Loan Account | 2.00 | 39,554 | 35,754 | 883 | (40,000) | 36,191 |
| Director's Loan Account | 2.00 | 49,379 | 34,920 | 1,023 | (50,000) | 35,322 |
| | | <u>88,933</u> | <u>70,674</u> | <u>1,906</u> | <u>(90,000)</u> | <u>71,513</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.