COMPANY REGISTRATION NUMBER: 04510223

C K Harwood and Sons Limited

Filleted Unaudited Financial Statements

31 May 2019

C K Harwood and Sons Limited

Statement of Financial Position

31 May 2019

	Note	2019 £	2019 £	2018 £
Fixed assets				
Intangible assets	**5**		**6,000**	18,000
Tangible assets	**6**		**52,950**	64,359
			58,950	82,359
Current assets				
Stocks		**200**		500
Debtors	7	**199,034**		173,519
Cash at bank and in hand		**57,456**		52,073
		256,690		226,092
Creditors: amounts falling due within one year	8	**100,433**		103,527
Net current assets			**156,257**	122,565
Total assets less current liabilities			**215,207**	204,924
Creditors: amounts falling due after more than one year	9		**66,831**	80,587
Provisions				
Taxation including deferred tax			**(318)**	926
Net assets			**148,694**	123,411
Capital and reserves				
Called up share capital			**6**	6
Profit and loss account			**148,688**	123,405
Shareholders funds			**148,694**	123,411

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 May 2019 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

C K Harwood and Sons Limited

Statement of Financial Position *(continued)*

31 May 2019

These financial statements were approved by the board of directors and authorised for issue on 28 November 2019 , and are signed on behalf of the board by:

C Harwood

Director

Company registration number: 04510223

C K Harwood and Sons Limited

Notes to the Financial Statements

Year ended 31 May 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 98 South Street, Crewkerne, Somerset TA18 8AD. The address of the principal place of business is 129a South Street, Crewkerne, Somerset TA18 8AA.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax. Revenue from the rendering of services is recognised when the outcome of a transaction can be estimated reliably, by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all of the following conditions are met; the amount of revenue can be measured reliably; it is probable that the economic benefits associated with the transaction will flow to the entity; the stage of completion of the transaction at the end of the reporting period can be measured reliably; and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property improvements	-	5 years Straight line
Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Office equipment	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 13 (2018: 18).

5. Intangible assets

	Goodwill
	£
Cost	
At 1 June 2018 and 31 May 2019	**120,000**
Amortisation	
At 1 June 2018	**102,000**
Charge for the year	**12,000**
At 31 May 2019	**114,000**
Carrying amount	
At 31 May 2019	**6,000**
At 31 May 2018	18,000

6. Tangible assets

	Plant and machinery	Motor vehicles	Equipment	**Total**
	£	£	£	**£**
Cost				
At 1 June 2018	10,422	115,651	1,196	**127,269**
Additions	–	4,500	–	**4,500**
Disposals	(777)	(5,749)	–	**(6,526)**
At 31 May 2019	9,645	114,402	1,196	**125,243**
Depreciation				
At 1 June 2018	9,214	52,848	848	**62,910**
Charge for the year	275	15,258	82	**15,615**
Disposals	(695)	(5,537)	–	**(6,232)**
At 31 May 2019	8,794	62,569	930	**72,293**
Carrying amount				
At 31 May 2019	851	51,833	266	**52,950**
At 31 May 2018	1,208	62,803	348	64,359

7. Debtors

	2019	2018
	£	£
Trade debtors	**46,524**	28,831
Other debtors	**152,510**	144,688
	199,034	173,519

8. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	**4,298**	3,988
Trade creditors	**30,477**	36,612
Corporation tax	**19,392**	15,717

Social security and other taxes	**31,120**	30,587
Other creditors	**15,146**	16,623
	100,433	103,527

The following liabilities are included in creditors falling due within one year and are secured against assets of the company: Bank loans £4,298 (2018: £3,988) and Hire purchase agreements £9,676 (2018: £9,213).

9. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Bank loans and overdrafts	**4,485**	8,565
Other creditors	**62,346**	72,022
	66,831	80,587

The following liabilities are included in creditors falling due after more than one year and are secured against assets of the company: Bank loans £4,267 (2018: £8,564) and Hire purchase agreements £45,260(2018: £54,936).

10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	**6,994**	15,803
Later than 1 year and not later than 5 years	**6,538**	8,780
	13,532	24,583

11. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2019

	Balance brought forward	Advances/ (credits) to the directors	**Balance outstanding**
	£	£	**£**
C Harwood	(1,017)	5,948	**4,931**

2018

	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
C Harwood	(11,945)	10,928	(1,017)