

LP ARMS LTD
Unaudited Financial Statements
For the financial year ended 31 March 2022
Pages for filing with the registrar

LP ARMS LTD
UNAUDITED FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

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LP ARMS LTD
BALANCE SHEET
As at 31 March 2022

	Note	2022	2021
		£	£
Fixed assets			
Intangible assets	3	37,500	43,500
Tangible assets	4	53,722	58,123
		91,222	101,623
Current assets			
Stocks	5	8,599	8,611
Debtors	6	46,307	3,325
Cash at bank and in hand		69,627	14,311
		124,533	26,247
Creditors			
Amounts falling due within one year	7	(173,080)	(219,423)
Net current liabilities		(48,547)	(193,176)
Total assets less current liabilities		42,675	(91,553)
Provision for liabilities	8	(9,238)	(9,931)
Net assets/(liabilities)		33,437	(101,484)
Capital and reserves			
Called-up share capital		1	1
Profit and loss account		33,436	(101,485)
Total shareholder's funds/(deficit)		33,437	(101,484)

For the financial year ending 31 March 2022 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 financial year 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; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of LP Arms Ltd (registered number: 11392057) were approved and authorised for issue by the Director on 27 October 2022. They were signed on its behalf by:

D R Brod
Director

C V Luxton
Director

LP ARMS LTD
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

LP Arms Ltd (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is Beckford Arms, Fonthill Gifford, Tisbury, SP3 6PX, England, United Kingdom. The principal place of business is Lord Poulett Arms, High Street, Hinton St George, Somerset, TA17 8SE.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

Going concern

At the balance sheet date the company had net current liabilities. The company is reliant upon the support of its fellow subsidiaries and parent company who have agreed that their loans to the company will not be repaid unless the company has sufficient funds to meet all other liabilities. In view of the above, the directors consider it appropriate to prepare the financial statements on the going concern basis.

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 and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover is recognised when the significant risks and rewards are considered to have been transferred to the customer. Deposits and revenue received in advance of the period to which they relate are held within other creditors on the balance sheet.

Employee benefits

Defined contribution schemes

The Company operates a defined contribution scheme. The amount charged to the Profit and Loss Account in respect of pension costs and other post-retirement benefits is the contributions payable in the financial year. Differences between contributions payable in the financial year and contributions actually paid are included as either accruals or prepayments in the Balance Sheet.

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Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date. Tax is recognised in the profit and loss account, 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.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date that are expected to apply when the timing differences reverse. Deferred tax assets and liabilities are not discounted.

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. Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

Intangible assets

Intangible assets are stated at cost or valuation, net of amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates to write off the cost or valuation of each asset over its expected useful life as follows:

Goodwill	10 years straight line
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Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Leasehold improvements	10 years straight line
Plant and machinery	20 % reducing balance
Fixtures and fittings	25 % reducing balance
Office equipment	20 % reducing balance

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

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.

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Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. The cost of stocks comprises direct cost and, where applicable, those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

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.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts, except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets 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. Bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost. 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.

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 other operating income over the period in which the related costs are recognised, and timing differences are presented as other debtors or deferred income within the balance sheet. 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.

Ordinary share capital

The ordinary share capital of the Company is presented as equity.

2. Employees

	2022	2021
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	22	24

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3. Intangible assets

	Goodwill	Total
	£	£
Cost		
At 01 April 2021	60,000	60,000
At 31 March 2022	60,000	60,000
Accumulated amortisation		
At 01 April 2021	16,500	16,500
Charge for the financial year	6,000	6,000
At 31 March 2022	22,500	22,500
Net book value		
At 31 March 2022	37,500	37,500
At 31 March 2021	43,500	43,500

4. Tangible assets

	Leasehold improve- ments	Plant and machinery	Fixtures and fittings	Office equipment	Total
	£	£	£	£	£
Cost					
At 01 April 2021	31,679	11,184	56,583	1,885	101,331
Additions	6,597	0	494	877	7,968
At 31 March 2022	38,276	11,184	57,077	2,762	109,299
Accumulated depreciation					
At 01 April 2021	7,964	4,869	29,529	846	43,208
Charge for the financial year	3,828	1,263	6,895	383	12,369
At 31 March 2022	11,792	6,132	36,424	1,229	55,577
Net book value					
At 31 March 2022	26,484	5,052	20,653	1,533	53,722
At 31 March 2021	23,715	6,315	27,054	1,039	58,123

5. Stocks

	2022	2021
	£	£
Stocks	8,599	8,611

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6. Debtors

	2022	2021
	£	£
Amounts owed by Group undertakings	34,025	1,671
Other debtors	12,282	1,654
	46,307	3,325

7. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	42,245	665
Amounts owed to Group undertakings	54,953	184,023
Corporation tax	33,822	0
Other taxation and social security	24,796	18,510
Other creditors	17,264	16,225
	173,080	219,423

8. Provision for liabilities

	2022	2021
	£	£
Deferred tax	9,238	9,931

9. Related party transactions

The company has taken advantage of the exemptions provided from disclosing transactions with its parent and other wholly owned group companies on the grounds that it is a wholly owned subsidiary.

10. Off Balance Sheet arrangements

The company has provided a guarantee for its parent company's bank borrowings in the form of a legal charge registered over the company, which contains fixed and floating charges over the property and all undertaking of the company.

11. Government grants

During the year other operating income of £19,428 (2021 - £163,515) was received in respect of the Coronavirus Job Retention Scheme. In addition, £18,500 (2021 - £40,036) was received in respect of other Coronavirus support grants.

The amount of grants recognised in the financial statements was £37,928 (2021 - £203,551).

12. Ultimate controlling party

The company's immediate parent is Beckford Group Ltd, incorporated in England and Wales. Its registered office address is The Beckford Arms, Fonthill Gifford, Tisbury, Salisbury, Wiltshire, SP3 6PX.

These financial statements are available upon request from Companies House, Cardiff.

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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.