

R R ANDREW LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

R R ANDREW LIMITED
REGISTERED NUMBER: 07605598

BALANCE SHEET
AS AT 31 OCTOBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	551,820	689,788
Current assets			
Stocks		45,000	45,000
Debtors: amounts falling due within one year	6	908,214	674,782
Cash at bank and in hand		6,386	192,036
		<u>959,600</u>	<u>911,818</u>
Creditors: amounts falling due within one year	7	<u>(1,098,152)</u>	<u>(842,737)</u>
Net current (liabilities)/assets		<u>(138,552)</u>	<u>69,081</u>
Total assets less current liabilities		<u>413,268</u>	<u>758,869</u>
Creditors: amounts falling due after more than one year	8	(340,587)	(522,758)
Provisions for liabilities			
Deferred tax	9	(72,047)	(97,508)
Net assets		<u><u>634</u></u>	<u><u>138,603</u></u>
Capital and reserves			
Called up share capital		10	10
Profit and loss account		624	138,593
		<u><u>634</u></u>	<u><u>138,603</u></u>

BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2022

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 July 2023.

R R Andrew
Director

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

1. General information

R R Andrew Limited is a private company limited by shares, incorporated in England and Wales (registered number: 07605598). Its registered office is Waterhole Farm, The Moor, Tideswell, Buxton, SK17 8LR. The principal activity throughout the year continued to be that of a haulage company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's functional and presentation currency is pounds sterling.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.3 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Income and Retained Earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.4 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.5 Current and deferred taxation

Tax is recognised in the Statement of Income and Retained Earnings.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

2.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life, which is considered to be ten years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows.

Depreciation is provided on the following basis:

Plant and machinery	- 25% reducing balance
Motor vehicles	- 20% reducing balance
Fixtures and fittings	- 10% - 33.3% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each Balance Sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Income and Retained Earnings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as bank and cash balances, trade and other accounts receivable and payable, loans from banks and other third parties and loans to and from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the transaction price and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

3. Employees

The average monthly number of employees, including directors, during the year was 31 (2021 - 16).

4. Intangible assets

	Goodwill £
Cost	
Additions	150,000
At 31 October 2022	150,000
Amortisation	
Charge for the year on owned assets	150,000
At 31 October 2022	150,000
Net book value	
At 31 October 2022	-
At 31 October 2021	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

4. Intangible assets (continued)

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 November 2021	19,884	2,247,976	11,254	2,279,114
Additions	-	-	832	832
At 31 October 2022	19,884	2,247,976	12,086	2,279,946
Depreciation				
At 1 November 2021	9,667	1,570,258	9,401	1,589,326
Charge for the year on owned assets	2,554	83,502	702	86,758
Charge for the year on financed assets	-	52,042	-	52,042
At 31 October 2022	12,221	1,705,802	10,103	1,728,126
Net book value				
At 31 October 2022	7,663	542,174	1,983	551,820
At 31 October 2021	10,217	677,718	1,853	689,788

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Motor vehicles	208,168	260,210

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

6. Debtors

	2022 £	2021 £
Trade debtors	642,662	462,249
Amounts owed by related parties	75,000	-
Other debtors	183,472	204,664
Prepayments and accrued income	7,080	7,869
	<u>908,214</u>	<u>674,782</u>

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	467,030	372,798
Trade creditors	468,781	240,185
Corporation tax	319	319
Other taxation and social security	92,655	112,496
Obligations under finance lease and hire purchase contracts	52,003	86,569
Other creditors	1,393	13,542
Accruals and deferred income	15,971	16,828
	<u>1,098,152</u>	<u>842,737</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

8. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other loans	287,037	417,205
Net obligations under finance leases and hire purchase contracts	53,550	105,553
	<u>340,587</u>	<u>522,758</u>

Included within creditors are secured liabilities in respect of bank borrowings and obligations under hire purchase contracts as detailed above in creditors due in both less than one year and more than one year. The bank borrowings are secured against all the assets of the Company and the hire purchase contracts are secured against the assets to which they relate. There is also an amount included within other loans due within one year totalling £336,860 (2021: £281,655) which are secured against the book debts of the Company.

In addition, the directors have given personal guarantees amounting to £110,000 in respect of bank borrowings by the company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

9. Deferred taxation

	2022 £	2021 £
At beginning of year	97,508	98,241
Charged to Statement of Income and Retained Earnings	(25,461)	(733)
At end of year	72,047	97,508

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	81,227	102,257
Tax losses carried forward	(9,067)	(4,628)
Pension surplus	(113)	(121)
	72,047	97,508

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £9,868 (2021: £9,353). Contributions totalling £597 (2021: £637) were payable to the fund at the Balance Sheet date and are included in creditors.

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.