
A M ARTHAN LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021

A M ARTHAN LIMITED
REGISTERED NUMBER: 06254433

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Intangible assets	4	5,044	16,053
Tangible assets	5	101,959	123,779
		<u>107,003</u>	<u>139,832</u>
CURRENT ASSETS			
Stocks		79,323	82,835
Debtors: amounts falling due within one year	6	401,978	366,591
Cash at bank and in hand	7	433,765	996,522
		<u>915,066</u>	<u>1,445,948</u>
Creditors: amounts falling due within one year	8	(506,278)	(471,538)
		<u>408,788</u>	<u>974,410</u>
NET CURRENT ASSETS			
		<u>515,791</u>	<u>1,114,242</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
Creditors: amounts falling due after more than one year		(196,564)	-
PROVISIONS FOR LIABILITIES			
Deferred tax		(2,761)	(4,127)
		<u>(2,761)</u>	<u>(4,127)</u>
NET ASSETS			
		<u><u>316,466</u></u>	<u><u>1,110,115</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	10	10
Profit and loss account		316,456	1,110,105
		<u><u>316,466</u></u>	<u><u>1,110,115</u></u>

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.

A M ARTHAN LIMITED
REGISTERED NUMBER: 06254433

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

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 comprehensive income 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 by:

.....
Mr C J Martin

Director

Date: 23 September 2022

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. GENERAL INFORMATION

A M Arthan Limited, (Company Number: 06254433), is a private limited company limited by shares, incorporated in England and Wales, with its registered office and principal place of business at 1 Church Street, Wellington, Telford, Shropshire, TF1 1DD.

The principal activity of the company is to trade as estate agents and letting agents..

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 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.

2.3 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.4 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

2.5 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 profit or loss 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.

2.6 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income 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.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.8 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, using the straight-line method.

Depreciation is provided on the following basis:

Tenant improvements	-	10%	straight line
Fixtures and fittings	-	20%	straight line
Office equipment	-	33%	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 profit or loss.

2.9 WORK IN PROGRESS

The work in progress figure is based on between 57% to 86% of 3 months of attributable overheads for Residential sales, Lettings and Commercial work. This is on the basis that there is a three month delay between instruction and completion and that the remaining proportion of instructions do not result in a sale.

2.10 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (CONTINUED)

2.13 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.14 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows 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, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.14 FINANCIAL INSTRUMENTS (continued)

net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.15 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 49 (2020 - 52).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. INTANGIBLE ASSETS

	Development expenditure £
Cost	
At 1 January 2021	35,869
Additions	1,495
	<hr/>
At 31 December 2021	37,364
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Amortisation	
At 1 January 2021	19,816
Charge for the year on owned assets	12,504
	<hr/>
At 31 December 2021	32,320
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Net book value	
At 31 December 2021	<hr/> 5,044 <hr/>
<i>At 31 December 2020</i>	<hr/> 16,053 <hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. TANGIBLE FIXED ASSETS

	Tenants improvements £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2021	152,825	74,969	69,190	296,984
Additions	-	-	14,582	14,582
At 31 December 2021	152,825	74,969	83,772	311,566
Depreciation				
At 1 January 2021	50,766	65,958	56,481	173,205
Charge for the year on owned assets	14,628	3,259	18,515	36,402
At 31 December 2021	65,394	69,217	74,996	209,607
Net book value				
At 31 December 2021	87,431	5,752	8,776	101,959
<i>At 31 December 2020</i>	102,059	9,011	12,709	123,779

6. DEBTORS

	2021 £	2020 £
Trade debtors	107,475	165,462
Amounts owed by group undertakings	203,284	13,305
Other debtors	4,500	116,438
Prepayments and accrued income	86,719	71,386
	401,978	366,591

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank and in hand	433,765	996,522
	<u>433,765</u>	<u>996,522</u>

8. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	71,850	57,833
Amounts owed to group undertakings	100,000	-
Corporation tax	106,126	50,997
Other taxation and social security	87,229	225,281
Other creditors	93,242	87,924
Accruals and deferred income	47,831	49,503
	<u>506,278</u>	<u>471,538</u>

9. CREDITORS: Amounts falling due after more than one year

	2021 £	2020 £
Other creditors	196,564	-
	<u>196,564</u>	<u>-</u>

10. DEFERRED TAXATION

	2021 £
At beginning of year	(4,127)
Charged to profit or loss	1,366
At end of year	<u>(2,761)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. DEFERRED TAXATION (CONTINUED)

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(2,761)	(4,127)
	<u>(2,761)</u>	<u>(4,127)</u>

11. SHARE CAPITAL

	2021 £	2020 £
Allotted, called up and fully paid		
1,000 (2020 - 1,000) Ordinary shares of £0.01 each	<u>10</u>	<u>10</u>

12. 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 £43,055 (2020: £44,881). Contributions totalling £4,058 (2020: £3,831) were payable to the fund at the balance sheet date.

13. RELATED PARTY TRANSACTIONS

Key Management Personnel

Included within the Director's loan account is a loan for £1,438, which has since been repaid post year end. No interest was charged on this loan.

Limited Liability Companies Holding a Participating Interest in the Company

Included within creditors is an amount of £298,002 (2020: £13,305 debtor) due to a company which held a participating interest in A M Arthan Limited until 27 August 2021. No interest has been charged in respect to this amount.

During the year, dividends of £1,232,790 (2020: £250,000) were paid to the former shareholder company.

Included within debtors is an amount of £203,284 (2020: £Nil) due from a company holding a participating interest in A M Arthan Limited. No interest has been charged in respect of this amount.

No dividends were paid to this company during the year.

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.