

**ASHFORD TARMACADAM CONTRACTORS
LIMITED**

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 SEPTEMBER 2020

ASHFORD TARMACADAM CONTRACTORS LIMITED
REGISTERED NUMBER: 02237498

BALANCE SHEET
AS AT 30 SEPTEMBER 2020

| | | 2020 | 2019 |
|---|------|-----------|-----------|
| | Note | | |
| Fixed assets | | | |
| Intangible assets | 4 | 1 | 1 |
| Tangible assets | 5 | 93,735 | 116,890 |
| | | <hr/> | <hr/> |
| | | 93,736 | 116,891 |
| Current assets | | | |
| Stocks | | 1,000 | 1,000 |
| Debtors: amounts falling due within one year | 6 | 165,194 | 70,047 |
| Cash at bank and in hand | 7 | 192,176 | 291,984 |
| | | <hr/> | <hr/> |
| | | 358,370 | 363,031 |
| Creditors: amounts falling due within one year | 8 | (164,586) | (159,995) |
| | | <hr/> | <hr/> |
| Net current assets | | 193,784 | 203,036 |
| | | <hr/> | <hr/> |
| Total assets less current liabilities | | 287,520 | 319,927 |
| Creditors: amounts falling due after more than one year | 9 | (7,556) | (15,113) |
| Provisions for liabilities | | | |
| Deferred tax | 12 | (17,810) | (20,062) |
| | | <hr/> | <hr/> |
| Net assets | | £ 262,154 | £ 284,752 |
| | | <hr/> | <hr/> |
| Capital and reserves | | | |
| Called up share capital | 13 | 150 | 150 |
| Profit and loss account | | 262,004 | 284,602 |
| | | <hr/> | <hr/> |
| | | £ 262,154 | £ 284,752 |
| | | <hr/> | <hr/> |

ASHFORD TARMACADAM CONTRACTORS LIMITED
REGISTERED NUMBER: 02237498

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2020

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 28 June 2021.

M J Brown

Director

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

ASHFORD TARMACADAM CONTRACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. General information

Ashford Tarmacadam Contractors Limited is a private company limited by shares, incorporated in England and Wales. The company registration number is 02237498 and the registered office is Henwood House, Henwood, Ashford, Kent, TN24 8DH. The principal place of business is Goodwin, Capel Road, Ashford, TN26 2EJ

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:

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 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.

Other 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 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.4 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, on a reducing balance basis.

Depreciation is provided on the following basis:

| | | | |
|---------------------|---|-----|------------------------|
| Plant and machinery | - | 25% | reducing balance basis |
| Motor vehicles | - | 25% | reducing balance basis |
| Office equipment | - | 15% | reducing balance basis |

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.

2.5 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 profit or loss.

2.6 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.

2.7 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.

2.8 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.9 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.

2.10 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 profit or loss 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.

2.11 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 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.

2.13 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.

2.14 Interest income

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

2.15 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.16 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.

3. Employees

The average monthly number of employees, including directors, during the year was 6 (2019 - 6).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

4. Intangible assets

| | Goodwill |
|-----------------------------|----------|
| Cost | |
| At 1 October 2019 | 500,000 |
| | <hr/> |
| At 30 September 2020 | 500,000 |
| | <hr/> |
| Amortisation | |
| At 1 October 2019 | 499,999 |
| | <hr/> |
| At 30 September 2020 | 499,999 |
| | <hr/> |
| Net book value | |
| At 30 September 2020 | £ 1 |
| | <hr/> |
| At 30 September 2019 | £ 1 |
| | <hr/> |

ASHFORD TARMACADAM CONTRACTORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

5. Tangible fixed assets

| | Plant and machinery | Motor vehicles | Office equipment | Total |
|--|------------------------|-----------------|---------------------|------------------|
| Cost or valuation | | | | |
| At 1 October 2019 | 98,353 | 131,054 | 1,962 | 231,369 |
| Additions | 14,116 | - | - | 14,116 |
| Disposals | (15,479) | (28,500) | - | (43,979) |
| At 30 September 2020 | 96,990 | 102,554 | 1,962 | 201,506 |
| Depreciation | | | | |
| At 1 October 2019 | 56,047 | 57,931 | 501 | 114,479 |
| Charge for the year on owned assets | 13,310 | 8,851 | 219 | 22,380 |
| Charge for the year on financed assets | - | 9,351 | - | 9,351 |
| Disposals | (12,871) | (25,568) | - | (38,439) |
| At 30 September 2020 | 56,486 | 50,565 | 720 | 107,771 |
| Net book value | | | | |
| At 30 September 2020 | <u>£ 40,504</u> | <u>£ 51,989</u> | <u>£ 1,242</u> | <u>£ 93,735</u> |
| At 30 September 2019 | <u>£ 42,306</u> | <u>£ 73,123</u> | <u>£ 1,461</u> | <u>£ 116,890</u> |

The net book value of land and buildings may be further analysed as follows:

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

| | 2020 | 2019 |
|----------------|-----------------|-----------------|
| Motor vehicles | <u>£ 28,053</u> | <u>£ 37,404</u> |

6. Debtors

| | 2020 | 2019 |
|--------------------------------|------------------|-----------------|
| Trade debtors | 119,240 | 65,921 |
| Other debtors | 41,590 | - |
| Prepayments and accrued income | 4,364 | 4,126 |
| | <u>£ 165,194</u> | <u>£ 70,047</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

7. Cash and cash equivalents

| | 2020 | 2019 |
|--------------------------|------------------|------------------|
| Cash at bank and in hand | £ <u>192,176</u> | £ <u>291,984</u> |

8. Creditors: Amounts falling due within one year

| | 2020 | 2019 |
|---|------------------|------------------|
| Trade creditors | 103,749 | 91,551 |
| Corporation tax | 31,293 | 32,102 |
| Other taxation and social security | 18,267 | 11,978 |
| Obligations under finance lease and hire purchase contracts | 7,557 | 7,557 |
| Other creditors | 621 | 13,408 |
| Accruals and deferred income | 3,099 | 3,399 |
| | £ <u>164,586</u> | £ <u>159,995</u> |

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

| | 2020 | 2019 |
|--|----------------|-----------------|
| Net obligations under finance leases and hire purchase contracts | £ <u>7,556</u> | £ <u>15,113</u> |

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

| | 2020 | 2019 |
|-------------------|-----------------|-----------------|
| Within one year | 7,557 | 7,557 |
| Between 1-5 years | 7,556 | 15,113 |
| | £ <u>15,113</u> | £ <u>22,670</u> |

11. Financial instruments

| | 2020 | 2019 |
|--|------------------|------------------|
| Financial assets | | |
| Financial assets measured at fair value through profit or loss | £ <u>192,176</u> | £ <u>291,984</u> |

Financial assets measured at fair value through profit or loss comprise of bank and cash balances.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

12. Deferred taxation

| | 2020 | 2019 |
|---------------------------|-----------------|-----------------|
| At beginning of year | 20,062 | 15,776 |
| Charged to profit or loss | (2,252) | 4,286 |
| At end of year | £ 17,810 | £ 20,062 |

The provision for deferred taxation is made up as follows:

| | 2020 | 2019 |
|--------------------------------|----------|----------|
| Accelerated capital allowances | £ 17,810 | £ 20,062 |

13. Share capital

| | 2020 | 2019 |
|---|--------------|--------------|
| Allotted, called up and fully paid | | |
| 100 Ordinary shares of £1.00 each | 100 | 100 |
| 40 Aa Ordinary shares of £1.00 each | 40 | 40 |
| 10 Ac Ordinary shares of £1.00 each | 10 | 10 |
| | £ 150 | £ 150 |

14. Transactions with directors

During the year, the company loaned a director £38,639 which remained outstanding at the balance sheet date. The loan is subject to a market rate of interest and repayable on demand.

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.