

Company Registration No. 02764812 (England and Wales)

BRENT SCAFFOLD BOARDS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Fawley Judge & Easton
Chartered Certified Accountants
1 Parliament Street
Hull
HU1 2AS

BRENT SCAFFOLD BOARDS LIMITED

COMPANY INFORMATION

Directors	Mr D Appleby Mrs M L Appleby Mr O J Appleby Mr J Appleby
Company number	02764812
Registered office	Brighton Airfield Bubwith Selby North Yorkshire YO8 6DJ
Auditor	Fawley Judge & Easton Chartered Certified Accountants 1 Parliament Street Hull East Yorkshire HU1 2AS

BRENT SCAFFOLD BOARDS LIMITED

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BRENT SCAFFOLD BOARDS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present the strategic report for the year ended 31 March 2020.

Fair review of the business

The principal activity of the company during the period was the manufacturer scaffold boards.

The year again saw the business continue to grow sales in line with targeted plans. Overall sales demand & profitability was in line with expectation.

Principal risks and uncertainties

The year has continued to see ongoing high levels of raw material price inflation. The business has continued to focus resources on increased capacity. This has allowed the business to continue to grow whilst maintaining targeted profitability.

Development and performance

The Directors are forecasting another healthy increase in demand for 2019 as a result of securing further new contracts from a failed competitor.

Key performance indicators

The pre-eminent KPI for the business is the order book (future prospects) and the management of capacity to meet demand. This is monitored on an ongoing basis and capacity adjusted accordingly.

In addition, we closely monitor our performance in relation to customer on-time delivery & quality performance.

Other key ratios include Gross Margin %, Net Profit %, Liquidity and Working Capital.

We continue to closely monitor the working environment of our employees in order to minimise the risk of work and environmental hazards.

On behalf of the board

.....
Mrs M L Appleby
Director
.....

BRENT SCAFFOLD BOARDS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their annual report and financial statements for the year ended 31 March 2020.

Principal activities

The principal activity of the company continued to be that of manufacturing of scaffold boards.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D Appleby
Mrs M L Appleby
Mr O J Appleby
Mr J Appleby

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £150,000. The directors do not recommend payment of a further dividend.

Auditor

Fawley Judge & Easton were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mrs M L Appleby
Director

24 July 2020

BRENT SCAFFOLD BOARDS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BRENT SCAFFOLD BOARDS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BRENT SCAFFOLD BOARDS LIMITED

Opinion

We have audited the financial statements of Brent Scaffold Boards Limited (the 'company') for the year ended 31 March 2020 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

BRENT SCAFFOLD BOARDS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BRENT SCAFFOLD BOARDS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Jonathan Leathley (Senior Statutory Auditor)
for and on behalf of Fawley Judge & Easton
Chartered Certified Accountants
Statutory Auditor
1 Parliament Street
Hull
East Yorkshire
HU1 2AS

24 July 2020

BRENT SCAFFOLD BOARDS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
Turnover	3	9,230,533	10,432,875
Cost of sales		(7,902,228)	(9,083,213)
Gross profit		<u>1,328,305</u>	<u>1,349,662</u>
Distribution costs		(288,548)	(286,969)
Administrative expenses		(807,873)	(896,762)
Operating profit	4	<u>231,884</u>	<u>165,931</u>
Interest payable and similar expenses	7	(44,159)	(46,658)
Profit before taxation		<u>187,725</u>	<u>119,273</u>
Tax on profit	8	(35,419)	(19,421)
Profit for the financial year		<u><u>152,306</u></u>	<u><u>99,852</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BRENT SCAFFOLD BOARDS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Profit for the year	152,306	99,852
Other comprehensive income	-	-
Total comprehensive income for the year	<u>152,306</u>	<u>99,852</u>

BRENT SCAFFOLD BOARDS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10		259,762		301,156
Current assets					
Stocks	11	934,025		804,674	
Debtors	12	2,536,623		2,261,318	
Cash at bank and in hand		31,333		30,015	
		<u>3,501,981</u>		<u>3,096,007</u>	
Creditors: amounts falling due within one year	13	<u>(3,195,365)</u>		<u>(2,833,091)</u>	
Net current assets			306,616		262,916
Total assets less current liabilities			<u>566,378</u>		<u>564,072</u>
Capital and reserves					
Called up share capital	16	40,000		40,000	
Profit and loss reserves		526,378		524,072	
Total equity			<u>566,378</u>		<u>564,072</u>

The financial statements were approved by the board of directors and authorised for issue on 24 July 2020 and are signed on its behalf by:

Mr D Appleby
Director

Company Registration No. 02764812

BRENT SCAFFOLD BOARDS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 April 2018		40,000	424,220	464,220
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	99,852	99,852
Balance at 31 March 2019		40,000	524,072	564,072
Year ended 31 March 2020:				
Profit and total comprehensive income for the year		-	152,306	152,306
Dividends	9	-	(150,000)	(150,000)
Balance at 31 March 2020		40,000	526,378	566,378

BRENT SCAFFOLD BOARDS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	21	271,779		301,193	
Interest paid		(44,159)		(46,658)	
Income taxes paid		(1)		(32,631)	
Net cash inflow from operating activities		<u>227,619</u>		<u>221,904</u>	
Investing activities					
Purchase of tangible fixed assets		(94,870)		(220,395)	
Proceeds on disposal of tangible fixed assets		<u>36,825</u>		<u>21,000</u>	
Net cash used in investing activities			(58,045)		(199,395)
Financing activities					
Dividends paid		<u>(150,000)</u>		<u>-</u>	
Net cash used in financing activities			(150,000)		-
Net increase in cash and cash equivalents			19,574		22,509
Cash and cash equivalents at beginning of year			<u>(1,591,389)</u>		<u>(1,613,898)</u>
Cash and cash equivalents at end of year			<u><u>(1,571,815)</u></u>		<u><u>(1,591,389)</u></u>
Relating to:					
Cash at bank and in hand			31,333		30,015
Bank overdrafts included in creditors payable within one year			<u><u>(1,603,148)</u></u>		<u><u>(1,621,404)</u></u>

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Brent Scaffold Boards Limited is a private company limited by shares incorporated in England and Wales. The registered office is Brighton Airfield, Bubwith, Selby, North Yorkshire, YO8 6DJ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	16-25% on a straight line basis
Motor vehicles	25% on a straight line basis

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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.

1.7 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 current liabilities.

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

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 finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2020 £	2019 £
Turnover analysed by class of business		
	9,230,532	10,432,875
	<u> </u>	<u> </u>
	2020 £	2019 £
Turnover analysed by geographical market		
UK	8,757,774	10,066,958
EU	138,980	104,790
Rest of World	333,778	261,127
	<u> </u>	<u> </u>
	9,230,532	10,432,875
	<u> </u>	<u> </u>

4 Operating profit

Operating profit for the year is stated after charging/(crediting):

	2020 £	2019 £
Fees payable to the company's auditor for the audit of the company's financial statements	6,000	6,000
Depreciation of owned tangible fixed assets	100,269	53,530
Profit on disposal of tangible fixed assets	(830)	(10,715)
Operating lease charges	69,114	69,114
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
	29	31
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	782,993	987,551
Social security costs	83,927	87,263
Pension costs	94,215	87,798
	<u> </u>	<u> </u>
	961,135	1,162,612
	<u> </u>	<u> </u>

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	298,000	244,000
Company pension contributions to defined contribution schemes	80,000	72,000
	<u>378,000</u>	<u>316,000</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019 - 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2020 £	2019 £
Remuneration for qualifying services	80,000	122,000

7 Interest payable and similar expenses

	2020 £	2019 £
Interest on financial liabilities measured at amortised cost:		
Interest on invoice finance arrangements	44,159	46,658

8 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	45,340	-
Deferred tax		
Origination and reversal of timing differences	(9,921)	19,421
Total tax charge	<u>35,419</u>	<u>19,421</u>

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	187,725	119,273
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	35,668	22,662
Tax effect of utilisation of tax losses not previously recognised	(2,967)	-
Unutilised tax losses carried forward	-	2,968
Permanent capital allowances in excess of depreciation	12,639	(25,630)
Deferred tax adjustments in respect of prior years	(9,921)	19,421
Taxation charge for the year	35,419	19,421

9 Dividends

	2020 £	2019 £
Final paid	150,000	-

10 Tangible fixed assets

	Plant and equipment £	Motor vehicles £	Total £
Cost			
At 1 April 2019	917,796	203,314	1,121,110
Additions	25,972	68,898	94,870
Disposals	(11,000)	(73,490)	(84,490)
At 31 March 2020	932,768	198,722	1,131,490
Depreciation and impairment			
At 1 April 2019	744,751	75,203	819,954
Depreciation charged in the year	49,815	50,454	100,269
Eliminated in respect of disposals	(11,000)	(37,495)	(48,495)
At 31 March 2020	783,566	88,162	871,728
Carrying amount			
At 31 March 2020	149,202	110,560	259,762
At 31 March 2019	173,045	128,111	301,156

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

11 Stocks

	2020 £	2019 £
Raw materials and consumables	934,025	804,674

12 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	2,389,845	2,124,461
Amounts owed by group undertakings	161,428	161,428
	2,551,273	2,285,889

	2020 £	2019 £
Amounts falling due after more than one year:		
Deferred tax asset (note 15)	(14,650)	(24,571)
Total debtors	2,536,623	2,261,318

13 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans and overdrafts	14	1,603,148	1,621,404
Trade creditors		1,126,265	774,104
Corporation tax		45,353	14
Other taxation and social security		348,615	356,249
Other creditors		67,976	83,715
Accruals and deferred income		4,008	(2,395)
		3,195,365	2,833,091

14 Loans and overdrafts

	2020 £	2019 £
CID facility	1,603,148	1,621,404
Payable within one year	1,603,148	1,621,404

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2020 £	Assets 2019 £
Balances:		
Accelerated capital allowances	(14,650)	(24,571)
	<u> </u>	<u> </u>
Movements in the year:		2020 £
Liability at 1 April 2019		24,571
Credit to profit or loss		(9,921)
		<u> </u>
Liability at 31 March 2020		14,650
		<u> </u>

The deferred tax asset set out above is expected to reverse within [12 months] and relates to the utilisation of tax losses against future expected profits of the same period.

16 Share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
40,000 Ordinary of £1 each	40,000	40,000
	<u> </u>	<u> </u>

17 Pension commitments

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund. The pension cost charge for the year is shown in note £90,322. The amounts outstanding at the year end included within creditors was £1,714, (2016 - £2,593).

18 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for its property. Leases are negotiated for an average term of 10 years and rentals are fixed for an average of 10 years.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	-	69,114
	<u> </u>	<u> </u>

BRENT SCAFFOLD BOARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

19 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Dividends paid	
	2020	2019
	£	£
Brent Scaffold Boards (Holdings) Ltd	150,000	-

The following amounts were outstanding at the reporting end date:

20 Ultimate controlling party

The parent company of Brent Scaffold Boards Limited is Brent Scaffold Boards (Holding) Limited and its registered office is Brighton Airfield, Brighton, Selby, North Yorkshire, YO8 6DJ.

Mr D A Appleby and Mrs M L Appleby are the ultimate controlling party.

21 Cash generated from operations

	2020	2019
	£	£
Profit for the year after tax	152,306	99,852
Adjustments for:		
Taxation charged	35,419	19,421
Finance costs	44,159	46,658
Gain on disposal of tangible fixed assets	(830)	(10,715)
Depreciation and impairment of tangible fixed assets	100,269	53,530
Movements in working capital:		
Increase in stocks	(129,351)	(209,470)
(Increase)/decrease in debtors	(265,384)	921,200
Increase/(decrease) in creditors	335,191	(619,283)
Cash generated from operations	271,779	301,193

22 Analysis of changes in net debt

	1 April 2019	Cash flows 31 March 2020	
	£	£	£
Cash at bank and in hand	30,015	1,318	31,333
Bank overdrafts	(1,621,404)	18,256	(1,603,148)
	(1,591,389)	19,574	(1,571,815)

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.