Registration number: 2766709

ER East & Son Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2021

King Morter Proud & Co Limited
Chartered Accountants
Kings Arms Vaults
Watton
Brecon
Powys
LD3 7EF

ER East & Son Ltd

Contents

ER East & Son Ltd

Company Information

Directors	Mr D East Mrs Marlene Susan Huxley
Company secretary	Mrs Marlene Susan Huxley
Registered office	Kings Arms Vaults Watton Brecon Powys LD3 7EF
Accountants	King Morter Proud & Co Limited Chartered Accountants Kings Arms Vaults Watton Brecon Powys LD3 7EF

ER East & Son Ltd

(Registration number: 2766709)
Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	192,224	154,013
Current assets			
Stocks	5	21,500	21,500
Debtors	6	51,030	15,717
Cash at bank and in hand		70,909	75,079
		143,439	112,296
Creditors: Amounts falling due within one year	7	(127,091)	(104,098)
Net current assets		16,348	8,198
Total assets less current liabilities		208,572	162,211
Creditors: Amounts falling due after more than one year	7	(119,517)	(143,886)
Net assets		89,055	18,325
Capital and reserves			
Called up share capital	8	5,000	5,000
Profit and loss account		84,055	13,325
Shareholders' funds		89,055	18,325

For the financial year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 27 September 2022 and signed on its behalf by:

The notes on pages 4 to 11 form an integral part of these financial statements.

....

Mrs Marlene Susan Huxley
Company secretary and director

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:
Kings Arms Vaults
Watton
Brecon
Powys
LD3 7EF

These financial statements were authorised for issue by the Board on 27 September 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.
The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.
The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land & buildings freehold	nil
Buildings leasehold	20% per annum on cost
Plant & machinery	10% reducing balance basis
Motor vehicles	10% reducing balance basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.
The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.
Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.
Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.
Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.
Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 9 (2020 - 9).

4 Tangible assets

	Land and buildings £	Long leasehold land and buildings £	Properties under construction £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation						
At 1 January 2021	110,000	5,450	53	142,609	87,239	345,351
Additions	-	-	-	47,341	-	47,341
At 31 December 2021	110,000	5,450	53	189,950	87,239	392,692
Depreciation						
At 1 January 2021	-	5,450	-	119,832	66,056	191,338
Charge for the year	-	-	-	7,012	2,118	9,130
At 31 December 2021	-	5,450	-	126,844	68,174	200,468
Carrying amount						
At 31 December 2021	110,000	-	53	63,106	19,065	192,224
At 31 December 2020	110,000	-	53	22,777	21,183	154,013

Included within the net book value of land and buildings above is £110,000 (2020 - £110,000) in respect of freehold land and buildings and £Nil (2020 - £Nil) in respect of long leasehold land and buildings.

5 Stocks

	2021 £	2020 £
Raw materials and consumables	21,500	21,500

6 Debtors

	2021 £	2020 £
Trade debtors	44,344	14,708
Other debtors	6,686	1,009
	51,030	15,717

7 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	9	3,344	8,354
Trade creditors		109,582	77,629
Taxation and social security		14,012	4,208
Other creditors		153	13,907
		127,091	104,098

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	9	119,517	143,886

8 Share capital

Allotted, called up and fully paid shares

	2021 No.	2021 £	2020 No.	2020 £
Ordinary of £1 each	5,000	5,000	5,000	5,000

9 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Bank borrowings	119,517	143,886

	2021 £	2020 £
Current loans and borrowings		
Hire purchase contracts	3,344	8,354

10 Dividends

	2021	2020
	£	£
Interim dividend of £6,000 (2020 - £3,850)	6,000	3,850