Registration number: 02510421

Parkway Timber Company Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 July 2018

Parkway Timber Company Limited

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Parkway Timber Company Limited

Company Information

Directors	Mr Andrew Richard Quick Mrs Melissa Georgette Quick
Registered office	Bodmin Road Bodmin Cornwall PL30 4BB

Parkway Timber Company Limited

(Registration number: 02510421)
Balance Sheet as at 31 July 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	245,973	252,774
Current assets			
Stocks	5	174,125	169,000
Debtors	6	333,268	337,792
Cash at bank and in hand		95,602	103,698
		602,995	610,490
Creditors: Amounts falling due within one year	7	(615,957)	(596,147)
Net current (liabilities)/assets		(12,962)	14,343
Total assets less current liabilities		233,011	267,117
Creditors: Amounts falling due after more than one year	7	(49,042)	(92,125)
Provisions for liabilities		(26,393)	(29,463)
Net assets		157,576	145,529
Capital and reserves			
Called up share capital		450	450
Capital redemption reserve		600	600
Profit and loss account		156,526	144,479
Total equity		157,576	145,529

For the financial year ending 31 July 2018 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.

Parkway Timber Company Limited

(Registration number: 02510421)
Balance Sheet as at 31 July 2018

Approved and authorised by the Board on 8 March 2019 and signed on its behalf by:

Mr Andrew Richard Quick

Director

Mrs Melissa Georgette Quick

Director

The notes on pages 4 to 9 form an integral part of these financial statements.

1 General information

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

The address of its registered office is:
Bodmin Road
Bodmin
Cornwall
PL30 4BB
United Kingdom

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 and deferred 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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.
Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.
Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position 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
Freehold property	4% reducing balance
Plant and machinery	4%, 5% and 15% reducing balance and 4yr, 5yr, 10yr, 15yr, 20yr straight line
Motor vehicles	25% reducing balance and 15yr straight line
Fixtures and fittings	15% reducing balance

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 (2017 - 9).

4 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 August 2017	216,697	5,810	256,510	212,346	691,363
Additions	13,812	195	7,622	-	21,629
At 31 July 2018	230,509	6,005	264,132	212,346	712,992
Depreciation					
At 1 August 2017	118,988	4,056	180,467	135,078	438,589
Charge for the year	4,461	292	8,985	14,692	28,430
At 31 July 2018	123,449	4,348	189,452	149,770	467,019
Carrying amount					
At 31 July 2018	107,060	1,657	74,680	62,576	245,973
At 31 July 2017	97,709	1,754	76,043	77,268	252,774

Included within the net book value of land and buildings above is £107,060 (2017 - £97,709) in respect of freehold land and buildings.

5 Stocks

	2018 £	2017 £
Other inventories	174,125	169,000

6 Debtors

	2018 £	2017 £
Trade debtors	303,290	315,307
Prepayments	10,035	3,275
Other debtors	19,943	19,210
	333,268	337,792

The carrying amount of trade debtors pledged as security for liabilities amounted to £64,388 (2017 - £95,806).

The amounts are advances from a factoring company which are secured against trade debtors. Included in trade debtors is £64,388 factored debts (2017 £95,806).

7 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	8	107,471	235,442
Trade creditors		407,905	257,983
Taxation and social security		33,519	37,210
Accruals and deferred income		3,610	3,610
Other creditors		63,452	61,902
		615,957	596,147

Finance lease liabilities include net obligations under finance lease and hire purchase contracts which are secured of £28,463 (2017 - £27,110). Finance leases and hire purchase contracts are secured against the assets to which the agreement relates. These have a net book value of £52,621 (2017 - £65,661)

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	8	49,042	92,125

Finance lease liabilities include net obligations under finance lease and hire purchase contracts which are secured of £5,455 (2017 - £33,918). Finance leases and hire purchase contracts are secured against the assets to which the agreement relates. These have a net book value of £52,661 (2107 - £65,661)

8 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Bank borrowings	43,587	58,207
Finance lease liabilities	5,455	33,918
	49,042	92,125

	2018 £	2017 £
Current loans and borrowings		
Bank borrowings	14,620	14,038
Bank overdrafts	64,388	194,295
Finance lease liabilities	28,463	27,109
	107,471	235,442

9 Related party transactions

Other transactions with directors

Included within debtors is a loan to the directors of £19,943 (2017 £19,209) , the loan is unsecured, interest free 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.