

**M H PARSONS RENOVATIONS LIMITED**

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2017**

**Company Registration Number: 03576607**

**M H PARSONS RENOVATIONS LIMITED**

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

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# **M H PARSONS RENOVATIONS LIMITED**

## **COMPANY INFORMATION**

**FOR THE YEAR ENDED 30 JUNE 2017**

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### **DIRECTORS**

M H Parsons

S J Roberts

*appointed 1 July 2016*

### **SECRETARY**

Mrs S J Parsons

### **REGISTERED OFFICE**

Cranbrook House

287 - 291 Banbury Road

Oxford

OX2 7JQ

### **COMPANY REGISTRATION NUMBER**

03576607 England and Wales

# M H PARSONS RENOVATIONS LIMITED

## BALANCE SHEET

AS AT 30 June 2017

|                                                         | Notes | 2017<br>£       | 2016<br>£       |
|---------------------------------------------------------|-------|-----------------|-----------------|
| <b>FIXED ASSETS</b>                                     |       |                 |                 |
| Tangible assets                                         | 7     | 94,444          | 108,090         |
| <b>CURRENT ASSETS</b>                                   |       |                 |                 |
| Stock                                                   |       | 66,516          | 26,536          |
| Debtors                                                 | 8     | 73,349          | 56,068          |
| Cash at bank and in hand                                |       | 3,200           | 34,121          |
|                                                         |       | <u>143,065</u>  | <u>116,725</u>  |
| CREDITORS: Amounts falling due within one year          | 9     | 190,840         | 151,189         |
|                                                         |       | <u>(47,775)</u> | <u>(34,464)</u> |
| <b>NET CURRENT (LIABILITIES)</b>                        |       |                 |                 |
|                                                         |       | <u>46,669</u>   | <u>73,626</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>            |       |                 |                 |
| CREDITORS: Amounts falling due after more than one year | 10    | 22,441          | 23,701          |
| Provisions for liabilities and charges                  |       | 14,557          | 16,930          |
|                                                         |       | <u>9,671</u>    | <u>32,995</u>   |
| <b>NET ASSETS</b>                                       |       |                 |                 |
| <b>CAPITAL AND RESERVES</b>                             |       |                 |                 |
| Called up share capital                                 |       | 16              | 16              |
| Distributable profit and loss account                   |       | 9,655           | 32,979          |
|                                                         |       | <u>9,671</u>    | <u>32,995</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                              |       |                 |                 |
|                                                         |       | <u>9,671</u>    | <u>32,995</u>   |

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities.

For the financial year ended 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

As permitted by S444 (5A) of the Companies Act 2006 the directors have not delivered to the Registrar a copy of the company's Profit and Loss Account or Directors Report.

Signed on behalf of the board of directors

M H Parsons

Director

Date approved by the board: 28 March 2018

# M H PARSONS RENOVATIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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### 1 GENERAL INFORMATION

M H Parsons Renovations Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is:

Cranbrook House  
287 - 291 Banbury Road  
Oxford  
OX2 7JQ

The financial statements are presented in Sterling, which is the functional currency of the company.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of preparation of financial statements**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

#### **Revenue recognition**

Turnover represents the value of general building services provided, stated net of value added tax., stated net of trade discounts and value added tax. Revenue is recognised as contract activity progresses, in accordance with the terms of the contractual agreement and the stage of completion of the work. Revenue is reported in the period in which the services were rendered and reflects the partial performance of the company's contractual obligations where this can be measured reliably. Where recorded revenue exceeds amounts invoiced to clients, the excess is classified as income.

The company recognises revenue when the amount of revenue can be measured reliably and when it is probable that future economic benefits will flow to the entity.

#### **Tangible fixed assets**

Fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been provided at the following rate so as to write off the cost or valuation of assets less residual value of the assets over their estimated useful lives.

|                     |                                      |
|---------------------|--------------------------------------|
| Plant and machinery | 20% reducing balance basis per annum |
| Office equipment    | 20% straight line basis per annum    |
| Motor vehicles      | 25% reducing balance basis per annum |

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in the profit and loss account, and included within administrative expenses.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)**

### **Financial Instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting 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 amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### **Impairment of non-financial assets**

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets (which is the higher of value in use and the fair value less cost to sell) is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

Stocks are also assessed for impairment at each reporting date. The carrying amount of each item of stock, or group of similar items, is compared with its selling price less cost to complete and sell. If an item of stock, or group of similar items, is impaired its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset, or group of related assets, in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

### **Stock**

Stock has been valued at the lower of cost and estimated selling price less cost to complete and sell, after making due allowance for obsolete and slow-moving items. Cost comprises the cost of goods purchased valued on a first in first out basis.

The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)**

### **Work in progress**

Work in progress has been valued at the lower of cost and estimated selling price less cost to complete and sell. Cost comprises the cost of materials and direct labour relevant to the stage of construction.

### **Debtors**

Short term debtors are measured at transaction price, less any impairment.

### **Creditors**

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

### **Leases**

Leases are classified as finance leases when they transfer substantially all the risks and rewards of ownership of the leased assets to the company. Other leases that do not transfer substantially all the risks and rewards of ownership of the leased assets to the company are classified as operating leases.

Assets held under finance leases are recognised in accordance with the company's policy for tangible fixed assets. The corresponding obligations to lessors under finance leases are treated in the balance sheet as a liability. The assets and liabilities under finance leases are recognised at amounts equal to the fair value of the assets, or if lower, the present value of minimum lease payments, determined at the inception of the lease.

Minimum lease payments are apportioned between finance charges and the reduction in the outstanding liabilities using the effective interest method. The finance charge is allocated to each period during the lease so as to produce a constant rate of interest on the remaining balance of the liabilities. Finance charges are recognised in the profit or loss.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)**

### **Taxation**

Taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period.

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods based on current tax rates and laws. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other taxable profits.

Deferred tax is measured using 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.

Current and deferred tax assets and liabilities are not discounted.

## Pensions

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the amount payable in the year. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments in the balance sheet.

## 3 TRANSITION TO FRS 102

This is the first year in which the financial statements have been prepared under FRS 102. Note 12 gives an explanation of the effects of the transition.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

No significant accounting estimates and judgements have had to be made by the directors in preparing these financial statements.

## 5 EMPLOYEES

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

|                             | 2017 | 2016 |
|-----------------------------|------|------|
| Average number of employees | 6    | 5    |

## 6 DIRECTOR'S REMUNERATION

|                                                      | 2017   | 2016   |
|------------------------------------------------------|--------|--------|
|                                                      | £      | £      |
| Remuneration paid to a director during the year was: | 28,163 | 26,916 |

## 7 TANGIBLE ASSETS

|                 | Plant and<br>machinery | Office<br>equipment | Motor<br>vehicles | Total    |
|-----------------|------------------------|---------------------|-------------------|----------|
|                 | £                      | £                   | £                 | £        |
| <b>Cost</b>     |                        |                     |                   |          |
| At 1 July 2016  | 33,911                 | 7,171               | 127,559           | 168,641  |
| Additions       | -                      | -                   | 23,330            | 23,330   |
| Disposals       | -                      | -                   | (23,695)          | (23,695) |
| At 30 June 2017 | 33,911                 | 7,171               | 127,194           | 168,276  |

**Accumulated depreciation**

|                       |        |       |          |          |
|-----------------------|--------|-------|----------|----------|
| At 1 July 2016        | 16,829 | 4,567 | 39,155   | 60,551   |
| Charge for year       | 3,416  | 1,103 | 20,316   | 24,835   |
| Disposals             | -      | -     | (11,554) | (11,554) |
| At 30 June 2017       | 20,245 | 5,670 | 47,917   | 73,832   |
| <b>Net book value</b> |        |       |          |          |
| At 1 July 2016        | 17,082 | 2,604 | 88,404   | 108,090  |
| At 30 June 2017       | 13,666 | 1,501 | 79,277   | 94,444   |

Included in the above are assets held under finance leases and hire purchase contracts as follows:

|                              | Plant and<br>machinery | Office<br>equipment | Motor<br>vehicles | Total  |
|------------------------------|------------------------|---------------------|-------------------|--------|
|                              | £                      | £                   | £                 | £      |
| Depreciation charge for year | -                      | -                   | 14,847            | 14,847 |
| <b>Net book value</b>        |                        |                     |                   |        |
| At 1 July 2016               | -                      | -                   | 56,106            | 56,106 |
| At 30 June 2017              | -                      | -                   | 60,958            | 60,958 |

The assets held under finance leases are secured against the assets to which they relate.

**8 DEBTORS**

|                                | 2017   | 2016   |
|--------------------------------|--------|--------|
|                                | £      | £      |
| Trade debtors                  | 67,119 | 49,431 |
| Prepayments and accrued income | 3,059  | 2,621  |
| Other debtors                  | 3,171  | 4,016  |
|                                | 73,349 | 56,068 |

**9 CREDITORS: Amounts falling due within one year**

|                                    | 2017   | 2016   |
|------------------------------------|--------|--------|
|                                    | £      | £      |
| Bank loans and overdrafts          | 1,381  | -      |
| Trade creditors                    | 79,738 | 9,157  |
| Corporation tax                    | 6,428  | 6,015  |
| Other taxation and social security | 29,635 | 11,798 |

|                                            |         |         |
|--------------------------------------------|---------|---------|
| Hire purchase contracts and finance leases | 12,289  | 22,381  |
| Accruals and deferred income               | 3,000   | 3,002   |
| Other creditors                            | 58,369  | 98,836  |
|                                            | <hr/>   | <hr/>   |
|                                            | 190,840 | 151,189 |
|                                            | <hr/>   | <hr/>   |

Included in other creditors are advances from the directors of £55,295 (2016 = £57,182). These advances are interest free and have no fixed date of repayment.

**10 CREDITORS: Amounts falling due after more than one year**

|                                            | <b>2017</b> | <b>2016</b> |
|--------------------------------------------|-------------|-------------|
|                                            | <b>£</b>    | <b>£</b>    |
| Hire purchase contracts and finance leases | 22,441      | 23,701      |
|                                            | <hr/>       | <hr/>       |

**11 SECURED DEBTS**

The hire purchase contracts and finance leases are secured on the assets concerned.

**12 RECONCILIATIONS ON ADOPTION OF FRS 102**

These financial statements for the year ended 30 June 2017 are the first financial statements that comply with FRS 102. The date of transition to FRS 102 is 1 July 2015.

|                                                        |          |
|--------------------------------------------------------|----------|
| <b>Profit and loss for the year ended 30 June 2016</b> | <b>£</b> |
| Profit for the year under former UK GAAP               | 36,582   |
|                                                        | <hr/>    |
| Profit for the year under FRS 102                      | 36,582   |
|                                                        | <hr/>    |
| <b>Balance sheet at 30 June 2016</b>                   | <b>£</b> |
| Equity under former UK GAAP                            | 32,995   |
|                                                        | <hr/>    |
| Equity under FRS 102                                   | 32,995   |
|                                                        | <hr/>    |
| <b>Balance sheet at 1 July 2015</b>                    | <b>£</b> |
| Equity under former UK GAAP                            | 55,797   |
|                                                        | <hr/>    |
| Equity under FRS 102                                   | 55,797   |
|                                                        | <hr/>    |

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