

Rectory Gas Supplies Limited
Company Registration Number 03780708
Annual Report and Unaudited Accounts
Year ended 31 May 2021



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	Note	2021 £	2020 £
Fixed assets			
Intangible fixed assets	4	87,431	-
Tangible fixed assets	5	858,359	-
Investments	6	<u>65</u>	<u>404,697</u>
		945,855	404,697
Current assets			
Stocks		14,317	-
Debtors	7	376,641	1
Cash at bank and in hand		<u>171,549</u>	<u>177</u>
		562,507	178
Creditors: Amounts falling due within one year	8	<u>(333,574)</u>	<u>(9,388)</u>
Net current assets/(liabilities)		<u>228,933</u>	<u>(9,210)</u>
Total assets less current liabilities		1,174,788	395,487
Creditors: Amounts falling due after more than one year	8	(59,840)	-
Provisions for liabilities		<u>(51,839)</u>	<u>-</u>
Net assets		<u><u>1,063,109</u></u>	<u><u>395,487</u></u>
Capital and reserves			
Called up share capital	10	341,900	170,950
Share premium reserve		6,964	6,964
Profit and loss account		<u>714,245</u>	<u>217,573</u>
		<u><u>1,063,109</u></u>	<u><u>395,487</u></u>

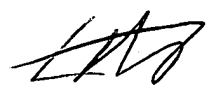
For the year ended 31 May 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 accounts and reports have been prepared and 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.

These accounts were approved and authorised for issue by the Board on 19/11/2021 and signed on its behalf by:



L. J. Milner
Director

1 General information

Rectory Gas Supplies Limited is a private company limited by shares and incorporated in England and Wales under company number 03780708.

The address of its registered office and principal place of business is:

Rectory Gas Supplies
Sparrow Hall
Scrayingham
York
YO41 1JE

2 Summary of significant accounting policies

Basis of preparation

The accounts have been prepared in accordance with applicable accounting standards including Section 1A of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102) and the Companies Act 2006. The accounts have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling.

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

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by Section 399 of the Companies Act 2006 and has not prepared group accounts.

Turnover

Turnover is measured at fair value of the consideration received or receivable, net of discounts and value added tax. Turnover includes revenue earned from the sale of goods.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually when the goods have been delivered to customers such that the risks and rewards of ownership have been transferred to them.

Pension contributions

The company has a defined contribution pension scheme. The pension costs charged to the profit and loss account are the contributions payable in respect of the accounting period.

Taxation

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

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only 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. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives. The annual rates and method of depreciation are as follows:-

Asset class	Amortisation method and rate
Goodwill	10 years straight line

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, over their expected useful lives. The annual rates and methods of depreciation are as follows:-

Asset class	Depreciation method and rate
Leasehold property improvements	20% straight line basis
Plant and machinery	20% straight line basis
Cylinders and bulk LPG tanks	6.67 %, 10% or 20% straight line basis
Furniture, fittings and office equipment	20% or 33.33% straight line basis
Motor vehicles	16.67% or 25% straight line basis

Impairment of fixed assets

At the balance sheet date, if there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the profit and loss account. The reversal of an impairment loss is recognised immediately in the profit and loss account.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the company in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the company includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

The investment in joint venture relates to the company's jointly controlled entity, Rectory Gas Supplies, which trades as a partnership. The investment in joint venture is measured at cost less impairment. The company's share of the profits and losses of the joint venture for the year are included in the profit and loss account. The joint venture ceased trading on 31 August 2020 on the transfer of the business undertaking to Rectory Gas Supplies Limited.

Investments in equity shares which are not publicly traded are measured at cost less impairment. Dividends on equity securities are recognised in income when receivable.

Stocks

Stock are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and an appropriate proportion of overhead expenses.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand 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.

Creditors

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

Leases

Fixed assets acquired under finance leases and hire purchase contracts are included in the balance sheet at cost and an appropriate provision made for depreciation. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest attributable to each period is charged to the profit and loss account.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

3 Employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021 No.	2020 No.
Employees	11	-

4 Intangible assets

	Goodwill £	Total £
Cost		
Additions	94,520	94,520
At 31 May 2021	94,520	94,520
Amortisation		
Charge for the year	7,089	7,089
At 31 May 2021	7,089	7,089
Net book value		
At 31 May 2021	87,431	87,431

5 Tangible fixed assets

	Leasehold property improvements £	Plant and machinery £	Cylinders and bulk LPG tanks £	Furniture, fittings and office equipment £	Motor vehicles £	Total £
Cost						
Additions	32,213	19,158	218,043	22,459	-	291,873
On transfer of partnership undertaking	<u>58,520</u>	<u>229,521</u>	<u>970,032</u>	<u>89,780</u>	<u>401,529</u>	<u>1,749,382</u>
At 31 May 2021	<u>90,733</u>	<u>248,679</u>	<u>1,188,075</u>	<u>112,239</u>	<u>401,529</u>	<u>2,041,255</u>
Depreciation						
Charge for the year	12,362	25,583	42,557	15,344	37,435	133,281
On transfer of partnership undertaking	<u>13,875</u>	<u>143,587</u>	<u>573,475</u>	<u>65,857</u>	<u>252,821</u>	<u>1,049,615</u>
At 31 May 2021	<u>26,237</u>	<u>169,170</u>	<u>616,032</u>	<u>81,201</u>	<u>290,256</u>	<u>1,182,896</u>
Net book value						
At 31 May 2021	<u>64,496</u>	<u>79,509</u>	<u>572,043</u>	<u>31,038</u>	<u>111,273</u>	<u>858,359</u>

6 Fixed asset investments

Subsidiary undertakings	£
Cost	
Additions	509,166
Disposals	(509,101)
At 31 May 2021	65
Carrying amount	
At 31 May 2021	65
Joint venture	£
Cost	
At 1 June 2020	404,697
Share of profit for the year	10,727
Withdrawals	(415,424)
At 31 May 2021	-
Carrying amount	
At 31 May 2021	-
At 31 May 2020	404,697

Details of undertaking

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Subsidiary undertaking	Description of holding	Proportion of holding	Principal activity
Simply LPG Limited	Ordinary Shares	65%	Wholesale of liquid petroleum gas

Joint venture

The investment in joint venture related to the company's jointly controlled entity, Rectory Gas Supplies, which traded as a partnership.

The company acquired control of the entire share capital of its joint venture partner, Milner Farms (Holdings) Limited, on 3 August 2020.

Following this purchase the partnership was dissolved and the business, assets and liabilities of the undertaking transferred to Rectory Gas Supplies Limited on 31 August 2020.

7 Debtors

	2021 £	2020 £
Trade debtors	288,839	-
Amounts owed from group undertakings	42,414	-
Other debtors	35,403	1
Prepayments	9,985	-
	<u>376,641</u>	<u>1</u>

8 Creditors:

Amounts falling due within one year

	2021 £	2020 £
Bank loan	9,507	-
Hire purchase liabilities	40,705	-
Trade creditors	255,691	-
Social security and other taxes	16,257	-
Other creditors	3,698	489
Corporation tax	-	8,899
Accruals	7,716	-
	<u>333,574</u>	<u>9,388</u>

Amounts falling due after more than one year

Bank loan	40,493	-
Hire purchase liabilities	19,347	-
	<u>59,840</u>	<u>-</u>

9 Security

Hire purchase creditors totalling £60,052 (2020: £nil) are secured by the finance company's title to the assets financed, which have a carrying value of £85,026

10 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>341,900</u>	<u>341,900</u>	<u>170,950</u>	<u>170,950</u>

New shares allotted

During the year 170,950 Ordinary shares having an aggregate nominal value of £170,950 were allotted. The shares were issued in exchange for shares in Sparrow Holdings (York) Limited.