Company registration number: 05521521

HR Kilns Ltd

Unaudited filleted financial statements

31 July 2017



HR Kilns Ltd

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HR Kilns Ltd

Directors and other information

Directors	Mr D Weston Mrs K Weston
Secretary	Mrs K Weston
Company number	05521521
Registered office	Unit 5 & 7 Gorsey Place East Gillibrands Skelmersdale Lancashire WN8 9UP
Accountant	Hollows & Hesketh 9 Sandy Lane Skelmersdale Lancashire WN8 8LA
Bankers	National Westminster Bank Plc 15 Concourse Shopping Centre Southway Skelmersdale WN8 6LD Bank of Scotland 600 Gorgie Road Edinburgh EH11 3XP

HR Kilns Ltd

Chartered accountant's report to the board of directors on the preparation of the unaudited statutory financial statements of HR Kilns Ltd
Year ended 31st July 2017

In order to assist you to fulfil your duties under the Companies Act 2006, I have prepared for your approval the financial statements of HR Kilns Ltd for the year ended 31st July 2017 which comprise the statement of financial position and related notes from the company's accounting records and from information and explanations you have given me.

As a practising member of the Institute of Chartered Accountants in England and Wales, I am subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/members/regulations-standards-and-guidance/.

This report is made solely to the board of directors of HR Kilns Ltd, as a body, in accordance with the terms of my engagement letter. My work has been undertaken solely to prepare for your approval the financial statements of HR Kilns Ltd and state those matters that we have agreed to state to the board of directors of HR Kilns Ltd as a body, in this report in accordance with the ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than HR Kilns Ltd and its board of directors as a body for my work or for this report.

It is your duty to ensure that HR Kilns Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of HR Kilns Ltd. You consider that HR Kilns Ltd is exempt from the statutory audit requirement for the year.

I have not been instructed to carry out an audit or a review of the financial statements of HR Kilns Ltd. For this reason, I have not verified the accuracy or completeness of the accounting records or information and explanations you have given to me and I do not, therefore, express any opinion on the statutory financial statements.

Hollows & Hesketh
Chartered Accountants

9 Sandy Lane
Skelmersdale
Lancashire
WN8 8LA

26th April 2018

HR Kilns Ltd

Statement of financial position
31st July 2017

	Note	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	5	80,734		104,721	
			80,734		104,721
Current assets					
Stocks		288,000		170,671	
Debtors	6	865,403		586,934	
Cash at bank and in hand		1,086,190		1,112,766	
		2,239,593		1,870,371	
Creditors: amounts falling due within one year	7	(422,523)		(372,607)	
Net current assets			1,817,070		1,497,764
Total assets less current liabilities			1,897,804		1,602,485
Provisions for liabilities			(15,880)		-
Net assets			1,881,924		1,602,485
Capital and reserves					
Called up share capital			100		100
Profit and loss account			1,881,824		1,602,385
Shareholders funds			1,881,924		1,602,485

For the year ending 31st July 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

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

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

The notes on pages 5 to 9 form part of these financial statements.

Statement of financial position (continued)
31st July 2017

These financial statements were approved by the board of directors and authorised for issue on 26th April 2018, and are signed on behalf of the board by:



Mr D Weston
Director

1. General information

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is Unit 5 & 7 Gorsey Place, East Gillibrands, Skelmersdale, Lancashire, WN8 9UP.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st August 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 25%	reducing balance
Fittings fixtures and equipment	- 15%	reducing balance
Motor vehicles	- 25%	reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Tax on profit

Major components of tax income/expense

	2017	2016
	£	£
Current tax:		
UK current tax expense	69,738	120,108
Adjustments in respect of previous periods	(103,462)	-
Total current tax	(33,724)	120,108
Deferred tax:		
Origination and reversal of timing differences	15,880	-
Tax on profit	(17,844)	120,108

Reconciliation of tax income/expense

The tax assessed on the profit for the year is lower than (2016: higher than) the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%).

	2017	2016
	£	£
Profit before taxation	477,594	585,968
Profit multiplied by rate of tax	95,519	117,194
Adjustments in respect of prior periods	(103,462)	-
Effect of expenses not deductible for tax purposes	5,660	3,774
Effect of capital allowances and depreciation	(30,256)	(860)
Other Adjustments	(1,185)	-
Tax on profit	(33,724)	120,108

5. Tangible assets

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	**Total**
	£	£	£	£
Cost				
At 1st August 2016	132,126	27,164	16,300	175,590
Additions	19,277	1,024	15,445	35,746
At 31st July 2017	151,403	28,188	31,745	211,336
Depreciation				
At 1st August 2016	54,507	5,221	11,143	70,871
Charge for the year	38,681	4,316	16,734	59,731
At 31st July 2017	93,188	9,537	27,877	130,602
Carrying amount				
At 31st July 2017	58,215	18,651	3,868	80,734
At 31st July 2016	77,619	21,943	5,157	104,719

6. Debtors

	2017	2016
	£	£
Trade debtors	806,774	539,274
Other debtors	58,629	47,660
	865,403	586,934

7. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	146,304	83,731
Corporation tax	69,738	120,108
Social security and other taxes	77,679	51,279
Other creditors	128,802	117,489
	422,523	372,607

8. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2017

	Balance brought forward	Advances /(credits) to the directors	Balance o/standing
	£	£	£
Mr D Weston	(34,063)	(8,703)	(42,766)
Mrs K Weston	(34,305)	(4,539)	(38,844)
	(68,368)	(13,242)	(81,610)

2016

	Balance brought forward	Advances /(credits) to the directors	Balance o/standing
	£	£	£
Mr D Weston	(32,472)	(1,591)	(34,063)
Mrs K Weston	(38,411)	4,106	(34,305)
	(70,883)	2,515	(68,368)

9. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st August 2015.

Reconciliation of equity
No transitional adjustments were required.

Reconciliation of profit or loss for the year
No transitional adjustments were required.