

Grinters Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2023

Mitchams Chartered Accountants
1 Cornhill
Ilminster
Somerset
TA19 0AD

Grinters Limited

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Grinters Limited

Company Information

Directors	Mr J A Champion Mrs G K Champion
Registered office	The Barn Swallows Broadway Ilminster Somerset TA19 9RE
Bankers	NatWest Bank 10 East Street Ilminster Somerset TA19 0AA
Accountants	Mitchams Chartered Accountants 1 Cornhill Ilminster Somerset TA19 0AD

Grinters Limited

(Registration number: 10508317)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>5</u>	134,909	107,930
Current assets			
Stocks	<u>6</u>	16,207	23,073
Debtors	<u>7</u>	225,376	166,478
Cash at bank and in hand		<u>47,192</u>	<u>53,363</u>
		288,775	242,914
Creditors: Amounts falling due within one year	<u>8</u>	<u>(191,440)</u>	<u>(185,526)</u>
Net current assets		<u>97,335</u>	<u>57,388</u>
Total assets less current liabilities		232,244	165,318
Creditors: Amounts falling due after more than one year	<u>8</u>	(76,511)	(57,013)
Provisions for liabilities		<u>(26,492)</u>	<u>(15,355)</u>
Net assets		<u>129,241</u>	<u>92,950</u>
Capital and reserves			
Called up share capital		225	225
Retained earnings		<u>129,016</u>	<u>92,725</u>
Shareholders' funds		<u>129,241</u>	<u>92,950</u>

For the financial year ending 31 March 2023 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. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Grinters Limited

(Registration number: 10508317)
Balance Sheet as at 31 March 2023

Approved and authorised by the Board on 19 October 2023 and signed on its behalf by:

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Mr J A Champion

Director

Grinters Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

1 General information

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

The address of its registered office is:

The Barn
Swallows
Broadway
Ilminster
Somerset
TA19 9RE

These financial statements were authorised for issue by the Board on 19 October 2023.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

Grinters Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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 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
Other property, plant and equipment	25% reducing balance
Furniture, fittings and equipment	25% reducing balance
Motor vehicles	25% reducing balance
Improvements	10 years straight line

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. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	5 years straight line

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.

Grinters Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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.

Grinters Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

Leases

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 16 (2022 - 18).

Grinters Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2022	20,000	20,000
At 31 March 2023	20,000	20,000
Amortisation		
At 1 April 2022	20,000	20,000
At 31 March 2023	20,000	20,000
Carrying amount		
At 31 March 2023	-	-

5 Tangible assets

	Property and improvements £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 April 2022	6,674	12,821	163,241	16,572	199,308
Additions	14,667	2,902	64,268	13,057	94,894
Disposals	-	-	(41,865)	-	(41,865)
At 31 March 2023	21,341	15,723	185,644	29,629	252,337
Depreciation					
At 1 April 2022	1,569	6,345	74,503	8,961	91,378
Charge for the year	2,134	2,345	31,581	5,167	41,227
Eliminated on disposal	-	-	(15,177)	-	(15,177)
At 31 March 2023	3,703	8,690	90,907	14,128	117,428
Carrying amount					
At 31 March 2023	17,638	7,033	94,737	15,501	134,909
At 31 March 2022	5,105	6,476	88,738	7,611	107,930

Grinters Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

6 Stocks

	2023 £	2022 £
Other inventories	16,207	23,073

7 Debtors

Current	2023 £	2022 £
Trade debtors	213,019	166,086
Prepayments	10,344	392
Other debtors	2,013	-
	225,376	166,478

8 Creditors

	Note	2023 £	2022 £
Due within one year			
Bank loans and overdrafts	9	33,635	22,702
Trade creditors		115,374	84,163
Taxation and social security		27,955	57,821
Other creditors		14,476	20,840
		191,440	185,526

Due after one year

Loans and borrowings	9	76,511	57,013
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Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings	9	76,511	57,013

Grinters Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

9 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	23,959	33,616
Hire purchase contracts	52,552	23,397
	<u>76,511</u>	<u>57,013</u>

	2023 £	2022 £
Current loans and borrowings		
Bank borrowings	10,000	10,000
Hire purchase contracts	23,635	12,702
	<u>33,635</u>	<u>22,702</u>

10 Related party transactions

Transactions with directors

	At 1 April 2022 £	Advances to director £	Repayments by director £	At 31 March 2023 £
2023				
Mr J A Champion				
Loan to/(from) director	(537)	9,675	(7,849)	1,289

Mrs G K Champion				
Loan to/(from) director	(615)	9,084	(7,745)	724

	At 1 April 2021 £	Advances to director £	Repayments by director £	At 31 March 2022 £
2022				
Mr J A Champion				
Loan to/(from) director	9,479	(537)	(9,479)	(537)

Mrs G K Champion				
Loan to/(from) director	9,500	(615)	(9,500)	(615)

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.