

Riley & Shutt (Tools) Limited

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

Howard & Co
10-12 Wellington Street
(St Johns)
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BB1 8AG

Riley & Shutt (Tools) Limited

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Riley & Shutt (Tools) Limited
(Registration number: 00930168)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>4</u>	294,339	343,853
Current assets			
Stocks	<u>5</u>	1,381,097	1,312,102
Debtors	<u>6</u>	1,632,541	1,518,236
Cash at bank and in hand		10,021	94,518
		3,023,659	2,924,856
Creditors: Amounts falling due within one year	<u>7</u>	(2,779,116)	(2,599,260)
Net current assets		244,543	325,596
Total assets less current liabilities		538,882	669,449
Creditors: Amounts falling due after more than one year	<u>7</u>	(248,094)	(337,379)
Provisions for liabilities		(55,326)	(64,696)
Net assets		235,462	267,374
Capital and reserves			
Called up share capital	<u>8</u>	300	300
Retained earnings		235,162	267,074
Shareholders' funds		235,462	267,374

Riley & Shutt (Tools) Limited
(Registration number: 00930168)
Balance Sheet as at 31 March 2023

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 and in accordance with the provisions of FRS 102 Section 1A - Small Entities. The profit and loss account and directors' report have not been delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

Approved and authorised by the Board on 22 December 2023 and signed on its behalf by:

.....
Mr DI Shutt
Director

Riley & Shutt (Tools) 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 and Wales.

The address of its registered office is:

Malt Street
Accrington
Lancashire
BB5 1DR

These financial statements were authorised for issue by the Board on 22 December 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.

The financial statements are presented in Sterling, which is the functional currency of the company and are rounded to the nearest pound.

Going concern

The financial statements have been prepared on a going concern basis.

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.

Government grants

The company has received a revenue grant in the form of small business rate relief and the Job Retention Scheme in respect of furloughed staff. Revenue grants are credited to the profit and loss account so as to match them with the expenditure to which they relate.

Riley & Shutt (Tools) Limited

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

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 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
Leaschold improvements	10% straight line
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance
Plant and machinery	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.

Riley & Shutt (Tools) Limited

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

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.

Riley & Shutt (Tools) Limited

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

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.

Employee Benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 22 (2022 - 21).

Riley & Shutt (Tools) Limited

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

4 Tangible assets

	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation					
At 1 April 2022	29,206	19,842	366,327	503,055	918,430
Additions	-	-	30,250	900	31,150
Disposals	-	-	(30,000)	-	(30,000)
At 31 March 2023	29,206	19,842	366,577	503,955	919,580
Depreciation					
At 1 April 2022	14,739	10,512	203,484	345,842	574,577
Charge for the year	2,921	1,399	40,653	23,724	68,697
Eliminated on disposal	-	-	(18,033)	-	(18,033)
At 31 March 2023	17,660	11,911	226,104	369,566	625,241
Carrying amount					
At 31 March 2023	11,546	7,931	140,473	134,389	294,339
At 31 March 2022	14,467	9,330	162,843	157,213	343,853

Hire Purchase Contracts

Included within the net book value of tangible fixed assets is £116,798 (2022 - £160,496) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £29,987 (2022 - £38,391).

5 Stocks

	2023 £	2022 £
Stock	1,381,097	1,312,102

6 Debtors

	2023 £	2022 £
Current		
Trade debtors	1,546,680	1,447,959
Prepayments	61,989	48,289
Other debtors	23,872	21,988
	1,632,541	1,518,236

Riley & Shutt (Tools) Limited

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

7 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Loans and borrowings	<u>10</u>	1,422,899	1,284,817
Trade creditors		1,252,758	1,213,663
Taxation and social security		61,586	64,397
Accruals and deferred income		28,702	27,388
Other creditors		13,171	8,995
		<u>2,779,116</u>	<u>2,599,260</u>

Creditors include invoice discounting loans, overdrafts and net obligations under hire purchase contracts which are secured of £1,344,899 (2022 - £1,209,317).

Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Loans and borrowings	<u>10</u>	<u>248,094</u>	<u>337,379</u>

Creditors include net obligations under hire purchase contracts which are secured of £51,594 (2022 - £62,879).

8 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary share of £1 each	100	100	100	100
Ordinary B share of £1 each	100	100	100	100
Ordinary C share of £1 each	100	100	100	100
	<u>300</u>	<u>300</u>	<u>300</u>	<u>300</u>

Riley & Shutt (Tools) Limited

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

9 Related party transactions

Transactions with directors

	At 1 April 2022 £	Advances to director £	Repayments by director £	At 31 March 2023 £
2023				
Mr C Shutt				
Loan to director made throughout the year. No interest was charged and no fixed repayment terms were in force.	9,628	46,971	(46,769)	9,830

	At 1 April 2021 £	Advances to director £	Repayments by director £	At 31 March 2022 £
2022				
Mr C Shutt				
Loan to director made throughout the year. No interest was charged and no fixed repayment terms were in force.	(41)	53,020	(43,351)	9,628

10 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	196,500	274,500
Hire purchase liabilities	51,594	62,879
	<u>248,094</u>	<u>337,379</u>

	2023 £	2022 £
Current loans and borrowings		
Bank borrowings	78,000	75,500
Bank overdrafts	82,776	51,009
Hire purchase liabilities	28,476	55,255
Other borrowings	1,233,647	1,103,053
	<u>1,422,899</u>	<u>1,284,817</u>

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.