

A Surman & Co Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2022

Bissell & Brown Midlands Ltd
Chartered Certified Accountants
Charter House
56 High Street
Sutton Coldfield
West Midlands
B72 1UJ

A Surman & Co Limited

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A Surman & Co Limited

Company Information

Directors	A P Dalton J M Dalton
Registered office	Newton Place Handsworth Birmingham B18 5JX
Accountants	Bissell & Brown Midlands Ltd Chartered Certified Accountants Charter House 56 High Street Sutton Coldfield West Midlands B72 1UJ

**Chartered Certified Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
A Surman & Co Limited
for the Year Ended 31 December 2022**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of A Surman & Co Limited for the year ended 31 December 2022 as set out on pages 3 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/gb/en/discover/public-value/rulebook.html>.

This report is made solely to the Board of Directors of A Surman & Co Limited, as a body, in accordance with the terms of our engagement letter dated 20 April 2021. Our work has been undertaken solely to prepare for your approval the accounts of A Surman & Co Limited and state those matters that we have agreed to state to the Board of Directors of A Surman & Co Limited, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2009/october/factsheet-163-audit-exempt-companies.html>.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A Surman & Co Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that A Surman & Co Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of A Surman & Co Limited. You consider that A Surman & Co Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of A Surman & Co Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....
Bissell & Brown Midlands Ltd
Chartered Certified Accountants
Charter House
56 High Street
Sutton Coldfield
West Midlands
B72 1UJ

26 June 2023

A Surman & Co Limited

(Registration number: 00575128) Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>5</u>	135,885	98,615
Current assets			
Stocks	<u>6</u>	7,138	4,906
Debtors	<u>7</u>	3,194,086	1,049,413
Cash at bank and in hand		956,550	700,183
		<u>4,157,774</u>	<u>1,754,502</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(3,413,413)</u>	<u>(1,299,992)</u>
Net current assets		<u>744,361</u>	<u>454,510</u>
Total assets less current liabilities		880,246	553,125
Provisions for liabilities		<u>(25,643)</u>	<u>(18,567)</u>
Net assets		<u>854,603</u>	<u>534,558</u>
Capital and reserves			
Called up share capital	<u>9</u>	1,000	1,000
Profit and loss account		853,603	533,558
Total equity		<u>854,603</u>	<u>534,558</u>

For the financial year ending 31 December 2022 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 and the option not to file the Directors' Report or the Profit and Loss Account has been taken.

Approved and authorised by the Board on 15 March 2023 and signed on its behalf by:

.....
A P Dalton
Director

.....
J M Dalton
Director

A Surman & Co Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022

1 General information

The company is a private company limited by share capital, incorporated in England & Wales. The company's registration number is 00575128.

The address of its registered office is:
Newton Place
Handsworth
Birmingham
B18 5JX

These financial statements were authorised for issue by the Board on 15 March 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 rounded to the nearest £.

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.

A Surman & Co Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

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
Plant and machinery	25% reducing balances
Fixtures and fittings	25%-33% Straight line
Motor vehicles	25% 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.

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.

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.

A Surman & Co Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

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.

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.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

3 Staff numbers

The average number of persons employed (including directors) during the year was 17 (2021 - 11).

A Surman & Co Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

4 Taxation

Deferred tax

Deferred tax assets and liabilities

	Liability
2022	£
Accelerated tax depreciation	25,643
	25,643
2021	£
Accelerated tax depreciation	18,567
	18,567

5 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2022	40,748	35,548	182,545	258,841
Additions	7,411	18,284	55,125	80,820
	48,159	53,832	237,670	339,661
At 31 December 2022				
Depreciation				
At 1 January 2022	26,823	19,371	114,032	160,226
Charge for the year	10,192	8,633	24,725	43,550
	37,015	28,004	138,757	203,776
At 31 December 2022				
Carrying amount				
At 31 December 2022	11,144	25,828	98,913	135,885
At 31 December 2021	13,925	16,177	68,513	98,615

6 Stocks

	2022	2021
	£	£
Raw materials and consumables	7,138	4,906
	7,138	4,906

A Surman & Co Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

7 Debtors

	2022	2021
	£	£
Trade debtors	2,260,006	727,682
Other debtors	859,138	268,965
Prepayments	74,942	52,766
	3,194,086	1,049,413

8 Creditors

Creditors: amounts falling due within one year

	Note	2022	2021
		£	£
Due within one year			
Loans and borrowings	<u>8.1</u>	-	661
Trade creditors		1,555,000	541,083
Amounts owed to group undertakings and undertakings in which the company has a participating interest		596,542	-
Taxation and social security		791,155	384,001
Other creditors		14,742	3,558
Accrued expenses		126,485	258,180
Corporation tax liability		329,489	112,509
		3,413,413	1,299,992

HSBC Bank PLC holds a Fixed and floating charge over the undertaking and all property and assets present and future including goodwill book debts uncalled capital buildings fixtures fixed plant and machinery.

8.1 Loans and borrowings

	2022	2021
	£	£
Current loans and borrowings		
Loans from directors	-	661
	-	661

9 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares share of £1 each	1,000	1,000	1,000	1,000
	1,000	1,000	1,000	1,000

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

Holders of the ordinary share capital have a right to vote and receive dividends.

A Surman & Co Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £28,469 (2021 - £20,143).

11 Parent and ultimate parent undertaking

The company's immediate parent is Bert Dalton Holdings Ltd, incorporated in England.

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.