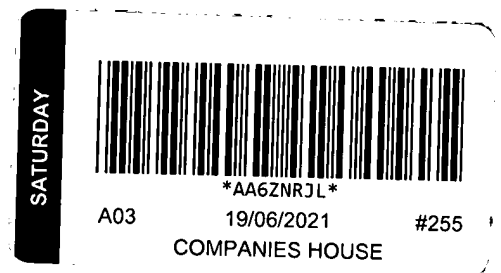


Company Registration No. 00362615 (England and Wales)

W.R.R.PEDLEY & CO LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2020



W.R.R.PEDLEY & CO LIMITED

COMPANY INFORMATION

Directors	Mr C M Carver Mr D C Foster Mrs D S Carver Mr W G Devison Mr M D Jackson Mr B A Rollason Mrs C M Stokes Mr D C Foster
Secretary	Mr C M Carver
Company number	00362615
Registered office	Ann Street Willenhall West Midlands WV13 1EW
Accountants	Azets Audit Services Harance House Rumer Hill Business Estate Rumer Hill Road Cannock Staffordshire WS11 0ET

W.R.R.PEDLEY & CO LIMITED

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W.R.R.PEDLEY & CO LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 MAY 2020

The directors present the strategic report for the period ended 31 May 2020.

Business review

The directors were pleased with the results declared for 2019. The outlook for 2020 is encouraging with further increases to profitability expected based on current market and economic conditions.

Principal risks and uncertainties

The directors were satisfied with the results declared for 2020 considering the impact of Covid-19. The outlook for 2021 is encouraging and increases in both turnover and profit are expected based on current market and economic conditions.

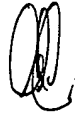
Key performance indicators

The directors consider that the key financial performance indicators are turnover, gross profit margin and net profit.

The turnover for the company has increased from £5,946,340 in 2019 to £7,147,534 in 2020, although this a 14 month period, it does represent a pro-rated increase.

Gross profit for the period is £2,302,304 giving a margin of 32.21% (2019: £2,124,677 giving a margin of 35.73%). Profit before tax has decreased from £266,267 to £61,263.

On behalf of the board



Mr C M Carver
Director
27 May 2021

W.R.R.PEDLEY & CO LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MAY 2020

The directors present their annual report and financial statements for the period ended 31 May 2020.

Principal activities

The principal activity of the company continued to be that of specialists in engineered components and assemblies.

Results and dividends

The results for the period are set out on page 3.

Ordinary dividends were paid amounting to £144,000 (2019: £243,352). The directors do not recommend payment of a final dividend.

Directors


The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr C M Carver
Mr D C Foster
Mrs D S Carver
Mr W G Devison
Mr M D Jackson
Mr B A Rollason
Mrs C M Stokes
Mr D C Foster

Post reporting date events

The directors have considered the impact of Covid-19 and it is not expected to have a significant impact on the entity. The directors have determined that there is no material uncertainty that casts doubts on the entity's ability to continue as a going concern, therefore the going concern basis of accounting has been adopted.

On behalf of the board



Mr C M Carver
Director

27 May 2021

W.R.R.PEDLEY & CO LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MAY 2020

		Period ended 31 May 2020 £	Year ended 31 March 2019 £
	Notes		
Turnover	3	7,147,534	5,946,340
Cost of sales		(4,845,230)	(3,821,663)
Gross profit		<u>2,302,304</u>	<u>2,124,677</u>
Distribution costs		(351,057)	(250,384)
Administrative expenses		(1,970,140)	(1,568,606)
Other operating income		123,213	9,882
Operating profit	4	<u>104,320</u>	<u>315,569</u>
Interest payable and similar expenses	7	(43,057)	(49,302)
Profit before taxation		<u>61,263</u>	<u>266,267</u>
Tax on profit	8	12,254	(22,915)
Profit for the financial period		<u><u>73,517</u></u>	<u><u>243,352</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

W.R.R.PEDLEY & CO LIMITED

BALANCE SHEET

AS AT 31 MAY 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	10		1,845,626		1,777,921
Current assets					
Stocks	11	891,202		873,550	
Debtors	12	2,904,033		2,926,368	
Cash at bank and in hand		31,270		10,803	
		<u>3,826,505</u>		<u>3,810,721</u>	
Creditors: amounts falling due within one year	13	<u>(2,149,188)</u>		<u>(2,012,001)</u>	
Net current assets			1,677,317		1,798,720
Total assets less current liabilities			<u>3,522,943</u>		<u>3,576,641</u>
Creditors: amounts falling due after more than one year	14		(90,468)		(88,137)
Provisions for liabilities					
Deferred tax liability	17	242,711		228,257	
		<u>(242,711)</u>		<u>(228,257)</u>	
Net assets			<u>3,189,764</u>		<u>3,260,247</u>
Capital and reserves					
Called up share capital	19		100,000		100,000
Capital redemption reserve	20		21,950		21,950
Profit and loss reserves			3,067,814		3,138,297
Total equity			<u>3,189,764</u>		<u>3,260,247</u>

For the financial period ended 31 May 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

W.R.R.PEDLEY & CO LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2020

The financial statements were approved by the board of directors and authorised for issue on 27 May 2021 and are signed on its behalf by:



Mr C M Carver
Director

Company Registration No. 00362615

W.R.R.PEDLEY & CO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MAY 2020

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2018		100,000	21,950	3,002,645	3,124,595
Year ended 31 March 2019:					
Profit and total comprehensive income for the year		-	-	243,352	243,352
Dividends	9	-	-	(107,700)	(107,700)
Balance at 31 March 2019		<u>100,000</u>	<u>21,950</u>	<u>3,138,297</u>	<u>3,260,247</u>
Period ended 31 May 2020:					
Profit and total comprehensive income for the period		-	-	73,517	73,517
Dividends	9	-	-	(144,000)	(144,000)
Balance at 31 May 2020		<u><u>100,000</u></u>	<u><u>21,950</u></u>	<u><u>3,067,814</u></u>	<u><u>3,189,764</u></u>

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

Company information

W.R.R.Pedley & Co Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ann Street, Willenhall, West Midlands, WV13 1EW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of C&F Group Holdings Limited. These consolidated financial statements are available from its registered office, Ann Street, Willenhall, West Midlands, WV13 1EW.

1.2 Going concern

These financial statements are prepared on the going concern basis. Management have considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern.

1.3 Reporting period

The reporting period in the financial statements is a 14 month period due to an extension of the reporting period in line with fellow group companies. For this reason, the comparative amounts presented in the financial statements are not entirely comparable with that of the previous year.

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% per annum on cost
Plant and equipment	10%, 20% and 33% per annum on cost dependant on classification of item
Fixtures and fittings	10% per annum on cost
Motor vehicles	20% per annum on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2020	2019
	£	£
Other significant revenue		
Grants received	123,213	9,882

Included within grants received is an amount of £111,684 in respect of income received from the Government's Job Retention Scheme which provided support during the Coronavirus pandemic.

	2020	2019
	£	£
Turnover analysed by geographical market		
United Kingdom	5,159,166	4,723,142
Rest of Europe	921,450	617,470
Rest of World	1,066,918	605,728
	<u>7,147,534</u>	<u>5,946,340</u>

4 Operating profit

	2020	2019
	£	£
Operating profit for the period is stated after charging/(crediting):		
Government grants	(123,213)	(9,882)
Depreciation of owned tangible fixed assets	219,275	184,344
Depreciation of tangible fixed assets held under finance leases	85,544	66,172
Loss/(profit) on disposal of tangible fixed assets	299	(2,000)

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

5 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2020 Number	2019 Number
Management	7	2
Administrative	8	9
Production	70	88
Total	<u>85</u>	<u>99</u>

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	2,287,344	1,849,725
Social security costs	181,393	149,422
Pension costs	36,777	18,115
	<u>2,505,514</u>	<u>2,017,262</u>

6 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	<u>204,414</u>	<u>178,012</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	£	£
Remuneration for qualifying services	<u>53,599</u>	<u>48,265</u>

7 Interest payable and similar expenses

	2020 £	2019 £
Interest on bank overdrafts and loans	9,270	5,917
Dividends on redeemable preference shares not classified as equity	20,000	20,000
Interest on finance leases and hire purchase contracts	13,787	23,385
	<u>43,057</u>	<u>49,302</u>

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

8 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	(26,708)	21,678
Adjustments in respect of prior periods	-	(5,179)
Total current tax	<u>(26,708)</u>	<u>16,499</u>
Deferred tax		
Origination and reversal of timing differences	<u>14,454</u>	<u>6,416</u>
Total tax (credit)/charge	<u>(12,254)</u>	<u>22,915</u>

The actual (credit)/charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	<u>61,263</u>	<u>266,267</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	11,640	50,591
Tax effect of expenses that are not deductible in determining taxable profit	5,768	6,047
Tax effect of income not taxable in determining taxable profit	(2,191)	(1,878)
Depreciation on assets not qualifying for tax allowances	3,390	2,715
Other non-reversing timing differences	(1,950)	-
Under/(over) provided in prior years	-	(5,179)
Deferred tax adjustments in respect of prior years	19	(19)
Enhanced research and development expenditure	(30,491)	(29,362)
Surrender of losses for research and development tax credit at lower rate	1,561	-
Taxation (credit)/charge for the period	<u>(12,254)</u>	<u>22,915</u>

9 Dividends

	2020 £	2019 £
Interim paid	<u>144,000</u>	<u>107,700</u>

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

10 Tangible fixed assets

	Freehold property £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2019	770,482	3,154,313	267,603	90,535	4,282,933
Additions	40,825	310,352	25,692	-	376,869
Disposals	-	(6,950)	-	-	(6,950)
At 31 May 2020	811,307	3,457,715	293,295	90,535	4,652,852
Depreciation and impairment					
At 1 April 2019	348,840	1,905,388	201,070	49,714	2,505,012
Depreciation charged in the period	17,842	239,634	26,219	21,124	304,819
Eliminated in respect of disposals	-	(2,605)	-	-	(2,605)
At 31 May 2020	366,682	2,142,417	227,289	70,838	2,807,226
Carrying amount					
At 31 May 2020	444,625	1,315,298	66,006	19,697	1,845,626
At 31 March 2019	421,642	1,248,925	66,533	40,821	1,777,921

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2020 £	2019 £
Plant and equipment	462,448	432,999

11 Stocks

	2020 £	2019 £
Raw materials and consumables	522,427	437,909
Work in progress	299,649	362,385
Finished goods and goods for resale	69,126	73,256
	891,202	873,550

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

12 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Trade debtors	1,506,036	1,563,512
Corporation tax recoverable	26,708	-
Amounts owed by group undertakings	1,298,319	1,298,319
Other debtors	2,809	3,000
Prepayments and accrued income	70,161	61,537
	<u>2,904,033</u>	<u>2,926,368</u>

13 Creditors: amounts falling due within one year

	Notes	2020	2019
		£	£
Bank loans and overdrafts	15	979,475	743,009
Obligations under finance leases	16	61,229	106,069
Trade creditors		703,462	737,175
Amounts owed to group undertakings		220,183	244,873
Corporation tax		-	21,678
Other taxation and social security		125,061	57,504
Accruals and deferred income		59,778	101,693
		<u>2,149,188</u>	<u>2,012,001</u>

The bank overdraft is secured by an unlimited multilateral guarantee given by the company and its subsidiaries and a debenture including a fixed charge over all present and future freehold and leasehold property and a first fixed charge over book debts.

Obligations in respect of hire purchase contracts due in less than one year totalling £61,229 are secured over the assets to which it relates.

14 Creditors: amounts falling due after more than one year

	Notes	2020	2019
		£	£
Obligations under finance leases	16	50,468	48,137
Other borrowings	15	40,000	40,000
		<u>90,468</u>	<u>88,137</u>

Included in other creditors, due after more than one year are 40,000 redeemable preference shares of £1 each which were renewed for an additional 10 years from 1 August 2017. The shares are redeemable at par on or before 1 August 2027. Shareholders are entitled to receive dividends at 50% per annum on the par value of these shares on a cumulative basis. The preference shares carry no voting rights and rank in priority to the ordinary shares for repayment in the event of the company being wound up.

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

14 Creditors: amounts falling due after more than one year (Continued)

Obligations in respect of hire purchase contracts due after more than one year totalling £50,468 are secured over the assets to which it relates.

15 Loans and overdrafts

	2020 £	2019 £
Bank overdrafts	979,475	743,009
Preference shares	40,000	40,000
	<u>1,019,475</u>	<u>783,009</u>
Payable within one year	979,475	743,009
Payable after one year	40,000	40,000

The bank overdraft is secured by an unlimited multilateral guarantee given by the company, C&F Group Holdings Limited, Hallen Engineering Limited and a debenture including a fixed charge over all present and future freehold and leasehold property and a first fixed charge over other book debts.

16 Finance lease obligations

	2020 £	2019 £
Future minimum lease payments due under finance leases:		
Within one year	61,229	106,069
In two to five years	50,468	48,137
	<u>111,697</u>	<u>154,206</u>

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2020 £	Liabilities 2019 £
Balances:		
Accelerated capital allowances	242,711	228,257

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

17	Deferred taxation	(Continued)
		2020
	Movements in the period:	£
	Liability at 1 April 2019	228,257
	Charge to profit or loss	14,454
	Liability at 31 May 2020	<u>242,711</u>

18	Retirement benefit schemes	2020	2019
		£	£
	Defined contribution schemes		
	Charge to profit or loss in respect of defined contribution schemes	<u>36,777</u>	<u>18,115</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19	Share capital	2020	2019	2020	2019
		Number	Number	£	£
	Ordinary share capital Issued and fully paid				
	Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

20 Capital redemption reserve

The capital redemption reserve contains the nominal value of own shares that have been acquired by the company and cancelled.

21 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	<u>20,496</u>	<u>20,496</u>

W.R.R.PEDLEY & CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

22 Parent Company

The ultimate parent company and largest and smallest group in which the results of the company are consolidated is that of which headed by C&F Group Holdings Limited, which was incorporated in England and Wales. The consolidated financial statements of this company are available to the public and may be obtained from the company's registered office.

There is no ultimate controlling party, as no single party holds a controlling share in the Company.