

Company Registration No. 01346397 (England and Wales)

# AVON STEEL COMPANY LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2015



# **AVON STEEL COMPANY LIMITED**

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# AVON STEEL COMPANY LIMITED

## INDEPENDENT AUDITORS' REPORT TO AVON STEEL COMPANY LIMITED

### UNDER SECTION 449 OF THE COMPANIES ACT 2006

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We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of Avon Steel Company Limited for the year ended 31 December 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

#### Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

*Old Mill Audit LLP*

Andrew Moore (Senior Statutory Auditor)  
for and on behalf of Old Mill Audit LLP

*13 June 2016*

Chartered Accountants  
Statutory Auditor

Bishopbrook House  
Cathedral Avenue  
WELLS  
Somerset  
BA5 1FD

# AVON STEEL COMPANY LIMITED

## ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
<b>Fixed assets</b>					
Tangible assets	2		242,413		229,800
Investments	2		100		100
			<u>242,513</u>		<u>229,900</u>
<b>Current assets</b>					
Stocks		373,686		392,754	
Debtors		1,919,945		2,102,785	
Cash at bank and in hand		65,775		466	
		<u>2,359,406</u>		<u>2,496,005</u>	
<b>Creditors: amounts falling due within one year</b>	3	(2,005,353)		(2,225,701)	
<b>Net current assets</b>			<u>354,053</u>		<u>270,304</u>
<b>Total assets less current liabilities</b>			<u>596,566</u>		<u>500,204</u>
<b>Creditors: amounts falling due after more than one year</b>	4		-		(13,145)
<b>Provisions for liabilities</b>			<u>(9,298)</u>		<u>-</u>
			<u>587,268</u>		<u>487,059</u>
<b>Capital and reserves</b>					
Called up share capital	5		1,250		1,000
Share premium account			29,795		29,795
Other reserves			117,705		117,705
Profit and loss account			438,518		338,559
<b>Shareholders' funds</b>			<u>587,268</u>		<u>487,059</u>

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board for issue on 8 June 2016



Mr S Parson  
Director

Company Registration No. 01346397

**AVON STEEL COMPANY LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

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**1 Accounting policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Consolidating the dormant subsidiary undertaking would have an immaterial effect on the financial statements. Therefore the financial statements have been prepared as a single entity only and group financial statements have not been prepared.

**1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

**1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is recognised when goods are delivered to the customer.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold Land and buildings	Over the term of the lease
Plant and machinery	15% Straight Line
Motor vehicles	25% Straight Line

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

**1.5 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**1.6 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

# AVON STEEL COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

### 1 Accounting policies

(Continued)

#### 1.7 Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first in first out basis. Net realisable value represents estimated selling price less costs to complete and sell. Provision is made for slow moving, obsolete or damaged stock where the net realisable value is less than cost.

#### 1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

### 2 Fixed assets

	Tangible assets	Investments	Total
	£	£	£
<b>Cost</b>			
At 1 January 2015	715,177	100	715,277
Additions	31,516	-	31,516
Disposals	(19,368)	-	(19,368)
	<hr/>	<hr/>	<hr/>
At 31 December 2015	727,325	100	727,425
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 January 2015	485,377	-	485,377
On disposals	(19,368)	-	(19,368)
Charge for the year	18,903	-	18,903
	<hr/>	<hr/>	<hr/>
At 31 December 2015	484,912	-	484,912
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2015	242,413	100	242,513
	<hr/>	<hr/>	<hr/>
At 31 December 2014	229,800	100	229,900
	<hr/>	<hr/>	<hr/>

# AVON STEEL COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 3 Creditors: amounts falling due within one year

The aggregate amount of creditors for which security has been given amounted to £10,545 (2014 - £28,912).

#### 4 Creditors: amounts falling due after more than one year

The aggregate amount of creditors for which security has been given amounted to £0 (2014 - £10,145).

5 Share capital	2015	2014
	£	£
<b>Allotted, called up and fully paid</b>		
560 A Ordinary Shares of £1 each	560	-
250 B Ordinary Shares of £1 each	250	-
440 C Ordinary Shares of £1 each	440	-
1,000 Ordinary shares of £1 each	-	1,000
	<u>1,250</u>	<u>1,000</u>

During the year 250 ordinary B shares of £1 each were allotted and fully paid at par for cash consideration.

During the year 1,000 ordinary shares were reclassified as 560 ordinary A shares and 440 ordinary C shares.

#### 6 Related party relationships and transactions

The following directors had loans during the year. The movement on these loans are as follows:

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
Mr S Parson	-	1,417	74,422	-	83,252	(7,413)
Mr C Parson	-	(1,769)	41,510	-	47,522	(7,781)
Mr J Bryant	-	1,376	1,327	-	1,376	1,327
		<u>1,024</u>	<u>117,259</u>	<u>-</u>	<u>132,150</u>	<u>(13,867)</u>