

Alan Coward & Son Limited
Filleted Unaudited Financial Statements
31 March 2017



STONE & CO
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Alan Coward & Son Limited

Financial Statements

Year ended 31 March 2017

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Alan Coward & Son Limited

Statement of Financial Position

31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	6	30,000	40,000
Tangible assets	7	<u>283,352</u>	<u>209,493</u>
		313,352	249,493
 Current assets			
Stocks		200,000	200,000
Debtors	8	173,128	202,398
Cash at bank and in hand		<u>126,291</u>	<u>164,177</u>
		499,419	566,575
 Creditors: amounts falling due within one year	9	<u>381,594</u>	<u>398,089</u>
Net current assets		117,825	168,486
Total assets less current liabilities		431,177	417,979
 Creditors: amounts falling due after more than one year	10	68,133	102,685
 Provisions			
Taxation including deferred tax		<u>44,527</u>	<u>39,544</u>
Net assets		<u>318,517</u>	<u>275,750</u>

The statement of financial position
continues on the following page.

The notes on pages 3 to 8 form part of these financial statements.

Alan Coward & Son Limited

Statement of Financial Position *(continued)*

31 March 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>318,515</u>	<u>275,748</u>
Members funds		<u>318,517</u>	<u>275,750</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 March 2017 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 26.12.17, and are signed on behalf of the board by:



Mr A Coward
Director

Company registration number: 07180004

The notes on pages 3 to 8 form part of these financial statements.

Alan Coward & Son Limited

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 305 Dean Road, Avonmouth, Bristol, BS11 8AT.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Alan Coward & Son Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 10% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Improvements to leasehold property	- 5% straight line
Plant and machinery	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Alan Coward & Son Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Alan Coward & Son Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 13 (2016: 12).

5. Tax on profit

Major components of tax expense

	2017 £	2016 £
Current tax:		
UK current tax expense/(income)	17,650	(7,750)
Adjustments in respect of prior periods	(19)	(39)
Total current tax	<u>17,631</u>	<u>(7,789)</u>
Deferred tax:		
Origination and reversal of timing differences	4,983	13,460
Tax on profit	<u>22,614</u>	<u>5,671</u>

6. Intangible assets

	Goodwill £
Cost	
At 1 Apr 2016 and 31 Mar 2017	<u>100,000</u>
Amortisation	
At 1 April 2016	60,000
Charge for the year	10,000
At 31 March 2017	<u>70,000</u>
Carrying amount	
At 31 March 2017	<u>30,000</u>
At 31 March 2016	<u>40,000</u>

Alan Coward & Son Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

7. Tangible assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 April 2016	–	147,897	212,344	14,797	375,038
Additions	67,009	69,920	–	1,617	138,546
Disposals	–	(37,126)	–	–	(37,126)
At 31 March 2017	67,009	180,691	212,344	16,414	476,458
Depreciation					
At 1 April 2016	–	88,811	70,549	6,185	165,545
Charge for the year	838	17,114	35,449	3,176	56,577
Disposals	–	(29,016)	–	–	(29,016)
At 31 March 2017	838	76,909	105,998	9,361	193,106
Carrying amount					
At 31 March 2017	66,171	103,782	106,346	7,053	283,352
At 31 March 2016	–	59,086	141,795	8,612	209,493

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery £
At 31 March 2017	87,104
At 31 March 2016	116,138

8. Debtors

	2017 £	2016 £
Trade debtors	162,986	184,993
Other debtors	10,142	17,405
	173,128	202,398

9. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	110,472	91,171
Corporation tax	17,650	–
Social security and other taxes	24,432	40,574
Other creditors	229,040	266,344
	381,594	398,089

Alan Coward & Son Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

10. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	<u>68,133</u>	<u>102,685</u>

11. Directors' advances, credits and guarantees

During the year dividends were paid to the directors totalling £37,000 (2016 - £11,000).

As at the end of the year the company owed £191,718 (2016 - £229,394) to Mr A Coward and Mrs L Coward in the form of a directors loan account. There are no fixed payment terms and no interest incurred on the outstanding amount, the amount is repayable on demand.

12. Controlling party

The company was under the control of Mr & Mrs A Coward throughout the current and previous year. Both are the managing directors and joint shareholders.