

BROWNS OF WEM LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 SEPTEMBER 2017

BROWNS OF WEM LIMITED
REGISTERED NUMBER: 00779140

BALANCE SHEET
AS AT 30 SEPTEMBER 2017

	Note	2017	2016
		£	£
Fixed assets			
Tangible assets	5	32,211	45,894
		32,211	45,894
Current assets			
Stocks	6	211,000	231,832
Debtors: amounts falling due within one year	7	394,500	342,252
Cash at bank and in hand	8	412,479	341,183
		1,017,979	915,267
Creditors: amounts falling due within one year	9	(615,034)	(529,160)
Net current assets		402,945	386,107
Total assets less current liabilities		435,156	432,001
Provisions for liabilities			
Deferred tax	10	(4,502)	(7,418)
		(4,502)	(7,418)
Net assets		430,654	424,583
Capital and reserves			
Called up share capital	11	20,001	20,001
Share premium account		300,000	300,000
Profit and loss account		110,653	104,582
		430,654	424,583

BROWNS OF WEM LIMITED
REGISTERED NUMBER: 00779140

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2017

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 June 2018.

N J Jefferies

Director

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

1. General information

Browns of Wem Limited, 00779140, is a private company by shares, incorporated in England and Wales, with its registered office and principal place of business at Four Lane Ends, Wem, Shropshire, SY4 5UQ.

The principal activity of the Company is the supply and erection of buildings.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant & Machinery	- 10 - 33.3% straight line
Motor Vehicles	- 10 - 25% straight line
Fixtures & Fittings	- 10 - 33.3% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. In the opinion of the directors there are no estimates nor assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Employees

The average monthly number of employees, including directors, during the year was 24 (2016 - 24).

5. Tangible fixed assets

	Plant & Machinery	Motor Vehicles	Fixtures & Fittings	Total
	£	£	£	£
Cost or valuation				
At 1 October 2016	171,652	90,405	117,184	379,241
Additions	4,141	-	1,597	5,738
	<u>175,793</u>	<u>90,405</u>	<u>118,781</u>	<u>384,979</u>
At 30 September 2017				
	<u>175,793</u>	<u>90,405</u>	<u>118,781</u>	<u>384,979</u>
Depreciation				
At 1 October 2016	149,596	86,956	96,795	333,347
Charge for the year on owned assets	13,626	1,690	4,106	19,422
	<u>163,222</u>	<u>88,646</u>	<u>100,901</u>	<u>352,769</u>
At 30 September 2017				
	<u>163,222</u>	<u>88,646</u>	<u>100,901</u>	<u>352,769</u>
Net book value				
At 30 September 2017	<u>12,571</u>	<u>1,759</u>	<u>17,880</u>	<u>32,210</u>
At 30 September 2016	<u>22,056</u>	<u>3,449</u>	<u>20,389</u>	<u>45,894</u>

BROWNS OF WEM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

6. Stocks

	2017	2016
	£	£
Raw materials and consumables	211,000	231,832
	211,000	231,832

7. Debtors

	2017	2016
	£	£
Trade debtors	382,603	340,775
Other debtors	-	723
Prepayments and accrued income	11,897	754
	394,500	342,252

8. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	412,479	341,183
	412,479	341,183

9. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Payments received on account	8,390	42,000
Trade creditors	416,135	332,643
Corporation tax	5,097	16
Other taxation and social security	43,956	52,574
Other creditors	2,162	-
Accruals and deferred income	139,294	101,927
	615,034	529,160

BROWNS OF WEM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

10. Deferred taxation

	2017 £
At beginning of year	7,418
Charged to profit or loss	(2,916)
At end of year	<u>4,502</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	4,502	7,418
	<u>4,502</u>	<u>7,418</u>

11. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
20,001 Ordinary shares of £1 each	<u>20,001</u>	<u>20,001</u>

**NOTES TO THE FINANCIAL STATEMENTS
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12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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.