Registered number: 05260950

HOUNSELL AND GREENE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 NOVEMBER 2018

HOUNSELL AND GREENE LIMITED
REGISTERED NUMBER:05260950

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2018

	Note		2018 £		2017 £
FIXED ASSETS					
Intangible assets	4		**435,000**		507,500
Tangible assets	5		**10,224**		13,658
			445,224		521,158
CURRENT ASSETS					
Stocks		**56,718**		55,300	
Debtors: amounts falling due within one year	6	**108,651**		289,319	
Bank and cash balances		**108,818**		13,094	
		274,187		357,713	
Creditors: amounts falling due within one year	7	**(338,855)**		(278,752)	
NET CURRENT (LIABILITIES)/ASSETS			**(64,668)**		78,961
TOTAL ASSETS LESS CURRENT LIABILITIES			**380,556**		600,119
Creditors: amounts falling due after more than one year	8		**-**		(72,426)
PROVISIONS FOR LIABILITIES					
Deferred tax		**(878)**		(705)	
			(878)		(705)
NET ASSETS			**379,678**		526,988
CAPITAL AND RESERVES					
Called up share capital	9		**1,000**		1,000
Profit and loss account			**378,678**		525,988
			379,678		526,988

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 NOVEMBER 2018

The director considers 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 director acknowledges his 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 statement of income and retained earnings 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 by:

J R Nolan
Director

Date: 30 August 2019

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

1. GENERAL INFORMATION

Hounsell and Greene Limited is a private company, limited by shares, incorporated and registered in England and Wales within the United Kingdom.

Its registered number is 05260950.

Its registered office is 45 Upper Oldfield Park, Bath, BA2 3HT.

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.

2.3 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 December 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.4 INTEREST INCOME

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2. ACCOUNTING POLICIES (continued)

2.5 BORROWING COSTS

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.6 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 Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 reporting 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 Statement of Financial Position 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 reporting date.

2.8 INTANGIBLE ASSETS

GOODWILL

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life of 20 years.

2. ACCOUNTING POLICIES (continued)

2.9 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:

Long-term leasehold property	- Straight line over the period of the lease
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% 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 Statement of Income and Retained Earnings.

2.10 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 normal busines practicebasis. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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.

2.11 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.

2.12 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. ACCOUNTING POLICIES (continued)

2.13 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.14 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.15 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 15 (2017: 14).

4. INTANGIBLE ASSETS

	Goodwill
	£
COST	
At 1 December 2017	1,450,000
At 30 November 2018	1,450,000
AMORTISATION	
At 1 December 2017	942,500
Charge for the year	72,500
At 30 November 2018	1,015,000
NET BOOK VALUE	
At 30 November 2018	435,000
At 30 November 2017	507,500

5. TANGIBLE FIXED ASSETS

	Improvements to property	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
COST OR VALUATION				
At 1 December 2017	**7,917**	**34,656**	**18,560**	**61,133**
Additions	**-**	**-**	**2,977**	**2,977**
At 30 November 2018	**7,917**	**34,656**	**21,537**	**64,110**
DEPRECIATION				
At 1 December 2017	**5,419**	**25,664**	**16,391**	**47,474**
Charge for the year on owned assets	**417**	**4,693**	**1,302**	**6,412**
At 30 November 2018	**5,836**	**30,357**	**17,693**	**53,886**
NET BOOK VALUE				
At 30 November 2018	**2,081**	**4,299**	**3,844**	**10,224**
At 30 November 2017	2,498	8,992	2,168	13,658

6. DEBTORS

	2018	2017
	£	£
Trade debtors	**87,381**	161,130
Other debtors	**19,949**	127,184
Prepayments and accrued income	**1,321**	1,005
	108,651	289,319

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans	**69,173**	78,000
Trade creditors	**206,666**	170,092
Corporation tax	**8,873**	20,784
Other taxation and social security	**2,691**	2,864
Other creditors	**47,052**	2,612
Accruals and deferred income	**4,400**	4,400
	338,855	278,752

The company has a charge over its assets in relation to the bank loans and overdrafts.

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Bank loans	**-**	72,426
	-	72,426

The company has a charge over its assets in relation to the bank loans and overdrafts.

9. SHARE CAPITAL

	2018 £	2017 £
ALLOTTED, CALLED UP AND FULLY PAID		
1,000 (2017: 1,000) Ordinary shares of £1.00 each	**1,000**	1,000

10. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions payable by the company to the fund and amounted to £1,661 (2017: £959).

11. TRANSACTIONS WITH DIRECTORS

At the year end, a balance of £46,696 (2017: £108,302 owed from the director) was owed to the director of the company. No interest was accrued on this balance.

12. RELATED PARTY TRANSACTIONS

During the year, dividends totalling £108,500 (2017: £230,000) were paid to the director.