

Company Registration No. 00076344 (England and Wales)

**PUGH DAVIES & COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2018**  
**PAGES FOR FILING WITH REGISTRAR**

# PUGH DAVIES & COMPANY LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr A J Joseph Mr J M Joseph Ms S C Joseph
<b>Secretary</b>	Mr I P Stoner
<b>Company number</b>	00076344
<b>Registered office</b>	6th Floor Cardinal House 20 St Mary's Parsonage Manchester M3 2LG
<b>Auditor</b>	Lopian Gross Barnett & Co 6th Floor Cardinal House 20 St Mary's Parsonage Manchester M3 2LG
<b>Business address</b>	1 Tabley Mews Off Stamford Street ALTRINCHAM WA14 1DA
<b>Bankers</b>	National Westminster Bank plc Spinningfields Square 182 Deansgate Manchester M3 3LY

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# **PUGH DAVIES & COMPANY LIMITED**

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# PUGH DAVIES & COMPANY LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	3	217,794		224,690	
Investments	4	20,211		20,211	
			<u>238,005</u>		<u>244,901</u>
<b>Current assets</b>					
Debtors	5	3,050,778		3,487,703	
Cash at bank and in hand		5,079		4,360	
			<u>3,055,857</u>		<u>3,492,063</u>
<b>Creditors: amounts falling due within one year</b>	6	(95,575)		(111,962)	
<b>Net current assets</b>			<u>2,960,282</u>		<u>3,380,101</u>
<b>Total assets less current liabilities</b>			<u><u>3,198,287</u></u>		<u><u>3,625,002</u></u>
<b>Capital and reserves</b>					
Called up share capital	7	138,401		138,401	
Share premium account		14,723		14,723	
Profit and loss reserves		3,045,163		3,471,878	
<b>Total equity</b>			<u><u>3,198,287</u></u>		<u><u>3,625,002</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 24 January 2019 and are signed on its behalf by:

Mr J M Joseph  
**Director**

**Company Registration No. 00076344**

# PUGH DAVIES & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 APRIL 2018**

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### **1 Accounting policies**

#### **Company information**

Pugh Davies & Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is 6th Floor Cardinal House, 20 St Mary's Parsonage, Manchester, M3 2LG.

#### **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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

#### **1.2 Turnover**

Turnover represents amounts receivable in respect of management fees charged to related companies. An amount of £867,000 (2017: £867,000) was charged to group undertakings.

#### **1.3 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:

Land and buildings Freehold	2% Straight line
Fixtures, fittings & equipment	25% - 33.33% Reducing balance
Motor vehicles	25% Reducing balance

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.

#### **1.4 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

# PUGH DAVIES & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

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### 1 Accounting policies

(Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.5 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.

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.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand 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.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# PUGH DAVIES & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

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### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

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 company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.9 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.

#### **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.

# PUGH DAVIES & COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

### 1 Accounting policies

(Continued)

#### 1.10 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.

#### 1.11 Retirement benefits

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

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2017 - 7).

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 May 2017	303,675	39,522	343,197
Additions	-	4,000	4,000
Disposals	-	(3,227)	(3,227)
At 30 April 2018	303,675	40,295	343,970
<b>Depreciation and impairment</b>			
At 1 May 2017	97,121	21,386	118,507
Depreciation charged in the year	6,073	4,823	10,896
Eliminated in respect of disposals	-	(3,227)	(3,227)
At 30 April 2018	103,194	22,982	126,176
<b>Carrying amount</b>			
At 30 April 2018	200,481	17,313	217,794
At 30 April 2017	206,553	18,137	224,690

### 4 Fixed asset investments

	2018 £	2017 £
Investments	20,211	20,211



# **PUGH DAVIES & COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2018**

### **5 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	519	436
Amounts owed by group undertakings	3,018,021	3,441,348
Other debtors	32,238	45,919
	<u>3,050,778</u>	<u>3,487,703</u>

### **6 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	14,901	28,000
Corporation tax	41,562	48,526
Other taxation and social security	22,056	20,922
Other creditors	17,056	14,514
	<u>95,575</u>	<u>111,962</u>

### **7 Called up share capital**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
6,802 Ordinary shares of 50p each	3,401	3,401
	<u>3,401</u>	<u>3,401</u>
<b>Preference share capital</b>		
<b>Issued and fully paid</b>		
150,000 Non-cumulative participating preference shares of 90p each	135,000	135,000
	<u>135,000</u>	<u>135,000</u>

### **8 Audit report information**

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Lopian BSc FCA.  
The auditor was Lopian Gross Barnett & Co.

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.