

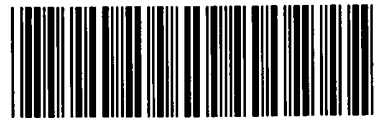
Registration number: 00137362

Joseph Clayton and Sons (Chesterfield) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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Joseph Clayton and Sons (Chesterfield) Limited

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Joseph Clayton and Sons (Chesterfield) Limited

Company Information

Directors	P Laight
	C A Douglas
	J P M Bird
	M Redwood
	I T Walker
	M H Abbott
Company secretary	C A Douglas
Registered office	The Tannery Clayton Street Chesterfield Derbyshire S41 0DU
Bankers	National Westminster plc 5 Market Place Chesterfield Derbyshire S40 1TJ
Auditors	Ashgates Corporate Services Limited Registered Auditor 5 Prospect Place Millennium Way Pride Park Derby DE24 8HG

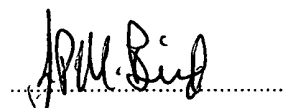
Joseph Clayton and Sons (Chesterfield) Limited

(Registration number: 00137362)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	659,174	666,930
Current assets			
Stocks		906,953	885,844
Debtors	5	376,094	290,790
Cash at bank and in hand		58,421	43,617
		<u>1,341,468</u>	<u>1,220,251</u>
Creditors: Amounts falling due within one year	6	<u>(971,128)</u>	<u>(905,297)</u>
Net current assets		<u>370,340</u>	<u>314,954</u>
Total assets less current liabilities		1,029,514	981,884
Creditors: Amounts falling due after more than one year	6	(48,053)	(28,586)
Provisions for liabilities	7	<u>(165,618)</u>	<u>(172,710)</u>
Net assets		<u>815,843</u>	<u>780,588</u>
Capital and reserves			
Called up share capital		200,000	200,000
Revaluation reserve		307,282	304,374
Profit and loss account		<u>308,561</u>	<u>276,214</u>
Total equity		<u>815,843</u>	<u>780,588</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the profit and loss account has been taken.

Approved and authorised by the Board on 10 May 2017 and signed on its behalf by:



J P M Bird
Director

The notes on pages 3 to 10 form an integral part of these financial statements.

Joseph Clayton and Sons (Chesterfield) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

The company is a private company limited by share capital incorporated in England.

The address of the registered office is given in the company information on page 1 of the financial statements.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Sterling (£).

Joseph Clayton and Sons (Chesterfield) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimate is revised, if the revision only affects that period, or in the period of revision and future period if the revision affects both the current and future periods.

The estimates and assumptions which have risk of causing material adjustment to the carrying amount of assets and liabilities are set out below:

Impairment of debtors:

On a periodic basis management makes an estimation of the recoverability of debtors. Management make such estimations taking into account their knowledge of the subsidiary companies of the group.

Provisions:

Stock related provisions are based upon historical knowledge of the products, commercial awareness of the business and the best available information in relation to specific items.

Pension provisions:

Pension related provisions are calculated using a discount factor of 5% and assumed life expectancies.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when:

- The amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity;
- and specific criteria have been met for each of the Company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Joseph Clayton and Sons (Chesterfield) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals highest amount that is more likely than not to be recovered based on current or future taxable profits.

Tangible assets

Tangible assets are stated in the statement of financial position at cost or valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold property	2% straight line
Freehold land	Not depreciated
Plant and machinery	25% reducing balance
Fixtures, fittings and equipment	25% reducing balance
Motor vehicles	25% reducing balance

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Joseph Clayton and Sons (Chesterfield) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was David Mark Newborough who signed for and on behalf of Ashgates Corporate Services Limited, Statutory Auditor.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 30 (2015 - 31).

Joseph Clayton and Sons (Chesterfield) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 January 2016	495,000	98,210	-	883,838	1,477,048
Additions	-	1,683	22,430	21,098	45,211
At 31 December 2016	495,000	99,893	22,430	904,936	1,522,259
Depreciation					
At 1 January 2016	2,885	39,892	-	767,341	810,118
Charge for the year	3,100	14,646	4,673	30,548	52,967
At 31 December 2016	5,985	54,538	4,673	797,889	863,085
Carrying amount					
At 31 December 2016	489,015	45,355	17,757	107,047	659,174
At 31 December 2015	492,115	58,318	-	116,497	666,930

Joseph Clayton and Sons (Chesterfield) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

Revaluation

The fair value of the company's land and buildings was revalued on 5 December 2014 by an independent valuer. The basis of this valuation was open market value. The name and qualification of the independent valuer are W.T.Parker, RICS Registered Valuer. Had this class of asset been measured on a historical cost basis, the carrying amount would have been £189,796 (2015 - £189,796).

5 Debtors

	Note	2016 £	2015 £
Trade debtors		235,861	253,868
Amounts owed by group undertakings		112,268	28,194
Other debtors		<u>27,965</u>	<u>8,728</u>
Total current trade and other debtors		<u>376,094</u>	<u>290,790</u>

6 Creditors

	Note	2016 £	2015 £
Due within one year			
Loans and borrowings	8	227,393	185,315
Trade creditors		384,581	363,343
Amounts owed to group undertakings		293,267	280,766
Taxation and social security		25,460	37,532
Other creditors		<u>40,427</u>	<u>38,341</u>
		<u>971,128</u>	<u>905,297</u>
Due after one year			
Loans and borrowings	8	<u>48,053</u>	<u>28,586</u>

Joseph Clayton and Sons (Chesterfield) Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

7 Other provisions

	Pension Provision £	Deferred tax £	Total £
At 1 January 2016	114,215	58,495	172,710
Increase (decrease) in existing provisions	<u>(6,095)</u>	<u>(997)</u>	<u>(7,092)</u>
At 31 December 2016	<u>108,120</u>	<u>57,498</u>	<u>165,618</u>

The pension provision relates to the inclusion of a liability to pay fixed pensions to two former directors in recognition of past services to the company. The provision is calculated using a discount factor of 5% and assumed life expectancies.

8 Loans and borrowings

	2016 £	2015 £
Current loans and borrowings		
Bank overdrafts	-	6,578
Finance lease liabilities	58,931	37,468
Other borrowings	<u>168,462</u>	<u>141,269</u>
	<u>227,393</u>	<u>185,315</u>
 Non-current loans and borrowings	 2016 £	 2015 £
Finance lease liabilities	<u>48,053</u>	<u>28,586</u>

Included above are liabilities in respect of other borrowings and bank overdrafts of £168,462 (2015 - £147,847), which are secured by a debenture over all assets of the company and obligations under hire purchase contracts of £106,984 (2015 - £66,054), which are secured against the assets to which the contracts relate.

9 Financial commitments, guarantees and contingencies

Contingencies

Intercompany cross guarantee: The amount guaranteed is £579,169 (2015 - £560,479). Bank facilities provided for Clayton of Chesterfield Limited, Joseph Clayton and Sons (Chesterfield) Limited, Samuel Sharp (Curriers) Limited, J & E Sedgwick Holdings Limited, J & E Sedgwick & Company Limited and The William Clarke Currying Company Limited are cross-guaranteed and secured on a debenture over all assets. The directors do not expect any liability to crystallise in respect of this contingency.

Commitments

The total amount of financial commitments not included in the balance sheet is £18,216 (2015 - £24,241).

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Notes to the Financial Statements for the Year Ended 31 December 2016

10 Transition to FRS 102

The financial statements are the company's first financial statements that comply with FRS102. The date of transition was 1 January 2015.

Deferred tax:

Under previous GAAP, the company did not make adjustments for deferred tax on revalued non-current assets. Under FRS102 the company is required to recognise the deferred tax.

The adjustments required in order to reflect the above change do not have an impact on the profit and loss accounts and as such there is no reconciliation noted below.

Balance Sheet at 1 January 2015

	As originally reported £	Reclassification £	Remeasurement £	As restated £
Capital and reserves				
Called up share capital	200,000	-	-	200,000
Revaluation reserve	364,649	-	(58,969)	305,680
Profit and loss account	238,290	-	-	238,290
Total equity	<u>802,939</u>	<u>-</u>	<u>(58,969)</u>	<u>743,970</u>

Balance Sheet at 31 December 2015

	As originally reported £	Reclassification £	Remeasurement £	As restated £
Capital and reserves				
Called up share capital	200,000	-	-	200,000
Revaluation reserve	362,869	-	(58,495)	304,374
Profit and loss account	276,214	-	-	276,214
Total equity	<u>839,083</u>	<u>-</u>	<u>(58,495)</u>	<u>780,588</u>

The adjustments noted above have arisen due to the recognition of deferred tax upon the revalued non-current asset included within the balance sheet.