

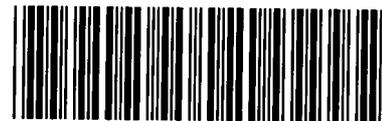
Johnson Bros. (Fakenham) Ltd

Financial Statements

for the year ended

31st January 2017

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Johnson Bros. (Fakenham) Ltd
Financial Statements
for the year ended 31st January 2017

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Johnson Bros. (Fakenham) Ltd

Statement of Financial Position

as at 31st January 2017

	Note	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	7		552,720		578,897
Current assets					
Stocks	8	860,159		1,022,261	
Debtors	9	379,521		520,112	
Cash at bank and in hand		203		208	
		<u>1,239,883</u>		<u>1,542,581</u>	
Creditors: amounts falling due within one year	10	<u>1,022,930</u>		<u>1,193,573</u>	
Net current assets			216,953		349,008
Total assets less current liabilities			<u>769,673</u>		<u>927,905</u>
Creditors: amounts falling due after more than one year	11		–		22,657
Provisions					
Taxation including deferred tax			(86,550)		(65,977)
Net assets			<u>856,223</u>		<u>971,225</u>
Capital and reserves					
Called up share capital	13		378,700		378,700
Non-distributable reserve			347,455		347,455
Capital redemption reserve			19,275		19,275
Other reserves			202,096		202,096
Profit and loss account			(91,303)		23,699
Members funds			<u>856,223</u>		<u>971,225</u>

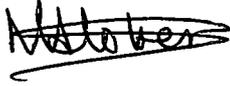
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

The statement of financial position
continues on the following page.
The notes on pages 3 to 9 form part of these financial statements.

Johnson Bros. (Fakenham) Ltd
Statement of Financial Position *(continued)*
as at 31st January 2017

These financial statements were approved by the board of directors and authorised for issue on2/3/17....., and are signed on behalf of the board by:



M.R. Stokes
Director



E.C.M. Moore
Director

Company registration number: 00355735

Johnson Bros. (Fakenham) Ltd
Notes to the Financial Statements
for the year ended 31st January 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 Bank House, Broad Street, Spalding, Lincolnshire, PE11 1TB.

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.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st February 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 17.

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.

Johnson Bros. (Fakenham) Ltd
Notes to the Financial Statements *(continued)*
for the year ended 31st January 2017

3. Accounting policies *(continued)*

Income tax *(continued)*

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.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

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:

Freehold property	-	not depreciated
Plant and machinery	-	10% reducing balance
Computer equipment	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and office equipment	-	10% reducing balance

Depreciation is not provided on freehold property where, in the opinion of the directors, the residual value of that property is such that any depreciation charge would be immaterial.

Johnson Bros. (Fakenham) Ltd
Notes to the Financial Statements *(continued)*
for the year ended 31st January 2017

3. Accounting policies *(continued)*

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.

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.

Defined contribution plans

The company operates a defined contribution pension scheme for employees and directors. The assets of the scheme are held from those of the company. The annual contributions payable are charged to the profit and loss account.

4. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to 14 (2016: 14).

Johnson Bros. (Fakenham) Ltd
Notes to the Financial Statements (continued)
for the year ended 31st January 2017

5. Loss before taxation

Loss before taxation is stated after charging:

	2017 £	2016 £
Depreciation of tangible assets	<u>25,757</u>	<u>16,766</u>

6. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2017 £	2016 £
Equity dividends on ordinary shares	18,500	46,250
Equity dividends on 'B' preference shares	12,333	3,083
	<u>30,833</u>	<u>49,333</u>

7. Tangible assets

	Freehold property £	Plant and machinery £	Computer equipment £	Motor vehicles £	Fixtures and office equipment £	Total £
Cost						
At 1 Feb 2016	450,000	81,041	22,723	192,986	80,695	827,445
Disposals	–	–	–	(5,100)	–	(5,100)
At 31 Jan 2017	<u>450,000</u>	<u>81,041</u>	<u>22,723</u>	<u>187,886</u>	<u>80,695</u>	<u>822,345</u>
Depreciation						
At 1 Feb 2016	–	54,066	20,143	109,546	64,793	248,548
Charge for the year	–	2,697	646	20,823	1,591	25,757
Disposals	–	–	–	(4,680)	–	(4,680)
At 31 Jan 2017	<u>–</u>	<u>56,763</u>	<u>20,789</u>	<u>125,689</u>	<u>66,384</u>	<u>269,625</u>
Carrying amount						
At 31 Jan 2017	<u>450,000</u>	<u>24,278</u>	<u>1,934</u>	<u>62,197</u>	<u>14,311</u>	<u>552,720</u>
At 31 Jan 2016	<u>450,000</u>	<u>26,975</u>	<u>2,580</u>	<u>83,440</u>	<u>15,902</u>	<u>578,897</u>

The Freehold property as at 1st February 2015 has been treated as deemed cost in accordance with FRS102.

Johnson Bros. (Fakenham) Ltd
Notes to the Financial Statements *(continued)*
for the year ended 31st January 2017

8. Stocks

	2017 £	2016 £
Wholegoods and parts	<u>860,159</u>	<u>1,022,261</u>

9. Debtors

	2017 £	2016 £
Trade debtors	372,531	508,480
Prepayments and accrued income	6,990	11,632
	<u>379,521</u>	<u>520,112</u>

10. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	350,413	324,957
Trade creditors	493,170	710,077
Accruals and deferred income	10,200	10,325
Social security and other taxes	78,040	67,570
Obligations under finance leases and hire purchase contracts	22,607	25,769
Director loan accounts	68,500	54,875
	<u>1,022,930</u>	<u>1,193,573</u>

Hire purchase and finance lease creditors are secured on the assets concerned.

Bank loans and overdrafts are secured on the property of the company.

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

	2017 £	2016 £
Obligations under finance leases and hire purchase contracts	<u>—</u>	<u>22,657</u>

Hire purchase and finance lease creditors are secured on the assets concerned.

Johnson Bros. (Fakenham) Ltd
Notes to the Financial Statements *(continued)*
for the year ended 31st January 2017

12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2017 £	2016 £
Included in provisions	<u>(86,550)</u>	<u>(65,977)</u>

13. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	8,700	8,700	8,700	8,700
Redeemable 'B' preference shares of £1 each	<u>370,000</u>	<u>370,000</u>	<u>370,000</u>	<u>370,000</u>
	<u>378,700</u>	<u>378,700</u>	<u>378,700</u>	<u>378,700</u>

The redeemable 'B' preference shares shall be redeemable in whole or in part at the option of the company at par at any time after 31st January 2006 on three calendar months' previous notice being given by the company to the registered shareholders. The redeemable 'B' preference shares entitle the holder to a net dividend at the rate of 5% per annum on the amount paid up or credited as paid up, but carry no further rights to any excess profits earned by the company. There are no voting rights attached to the shares. In addition, the company has no obligation to redeem the 'B' preference shares by any set date, although they would be redeemable at par on the winding up of the company.

14. Other financial commitments

The total amount of commitments, guarantees and contingencies is £7,650 (2016: £11,050).

15. Summary audit opinion

The auditor's report for the year dated 30th March 2017 was unqualified.

The senior statutory auditor was M. Hildred, for and on behalf of Moore Thompson.

