

Richard Grant & Son (Leverton) Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2016

Forrester Boyd
Chartered Accountants
Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Richard Grant & Son (Leverton) Limited
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Richard Grant & Son (Leverton) Limited
Company Information

	S L Payne		
Directors	S J Grant		
	J R B Grant		
Company secretary	J R B Grant		
Registered office	S h e e p g a t e L e v e r t o n B o s t o n L i n c o l n s h i r e PE22 0AS	N u r s e r y	
Bankers	H S B C 7 B o s t o n PE21 8SL	H i g h	S t r e e t
Accountants	F o r r e s t e r C h a r t e r e d W a y n f l e t e 1 3 9 L o u t h L i n c o l n s h i r e LN11 9QQ	B o y d	A c c o u n t a n t s H o u s e E a s t g a t e

**Chartered Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
Richard Grant & Son (Leverton) Limited
for the Year Ended 31 December 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Richard Grant & Son (Leverton) Limited for the year ended 31 December 2016 as set out on pages 3 to 12 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Richard Grant & Son (Leverton) Limited, as a body, in accordance with the terms of our engagement letter dated 20 May 2014. Our work has been undertaken solely to prepare for your approval the accounts of Richard Grant & Son (Leverton) Limited and state those matters that we have agreed to state to the Board of Directors of Richard Grant & Son (Leverton) Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Richard Grant & Son (Leverton) Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Richard Grant & Son (Leverton) Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Richard Grant & Son (Leverton) Limited. You consider that Richard Grant & Son (Leverton) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Richard Grant & Son (Leverton) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Forrester Boyd
Chartered Accountants
Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

27 March 2017

Richard Grant & Son (Leverton) Limited
(Registration number: 00369847)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	<u>4</u>	1,611,164	1,572,779
Investments		54,000	54,000
		<hr/>	<hr/>
		1,665,164	1,626,779
		<hr/>	<hr/>
Current assets			
Stocks	<u>6</u>	625,972	596,674
Debtors	<u>7</u>	537,322	635,077
Cash at bank and in hand		3,321	10,714
		<hr/>	<hr/>
		1,166,615	1,242,465
		<hr/>	<hr/>
Creditors: Amounts falling due within one year	<u>8</u>	(642,294)	(786,880)
		<hr/>	<hr/>
Net current assets		524,321	455,585
		<hr/>	<hr/>
Total assets less current liabilities		2,189,485	2,082,364
		<hr/>	<hr/>
Creditors: Amounts falling due after more than one year	<u>8</u>	(56,343)	-
		<hr/>	<hr/>
Net assets		2,133,142	2,082,364
		<hr/>	<hr/>
Capital and reserves			
Called up share capital		9,148	9,148
Revaluation reserve		932,726	932,726
Profit and loss account		1,191,268	1,140,490
		<hr/>	<hr/>

Total equity	2,133,142	2,082,364
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For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been 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 23 March 2017 and signed on its behalf by:

.....
J R B Grant

Company secretary and director

The notes on pages 5 to 12 form an integral part of these financial statements.

Richard Grant & Son (Leverton) Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2016	9,148	932,726	1,140,490	2,082,364
Profit for the year	-	-	66,481	66,481
Total comprehensive income	-	-	66,481	66,481
Dividends	-	-	(15,703)	(15,703)
At 31 December 2016	9,148	932,726	1,191,268	2,133,142
	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2015	9,148	932,726	1,078,903	2,020,777
Profit for the year	-	-	86,018	86,018
Total comprehensive income	-	-	86,018	86,018
Dividends	-	-	(24,431)	(24,431)
At 31 December 2015	9,148	932,726	1,140,490	2,082,364

The notes on pages 5 to 12 form an integral part of these financial statements.

Richard Grant & Son (Leverton) 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 & Wales.

The address of its registered office is:
S h e e p g a t e N u r s e r y
L e v e r t o n
B o s t o n
L i n c o l n s h i r e
P E 2 2 0 A S
Registration number: 00369847

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 have been 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 prepared in Sterling which is the functional currency of the Company and have been expressed rounded to the nearest pound.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, 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.

Richard Grant & Son (Leverton) Limited

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

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
Land and buildings	Nil - 5% per annum of cost
Fixtures and fittings	15 - 25% reducing balance
Motor vehicles	25% - 30% reducing balance
Plant and machinery	10% - 15% reducing balance, 5% - 33% of cost

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Richard Grant & Son (Leverton) Limited

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

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.

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.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distributions to the company's shareholders are recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 28 (2015 - 28).

Richard Grant & Son (Leverton) 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	1,960,500	175,567	162,678	3,180,359	5,479,104
Additions	-	5,208	76,000	46,454	127,662
Disposals	-	-	(6,612)	(3,221)	(9,833)
At 31 December 2016	1,960,500	180,775	232,066	3,223,592	5,596,933
Depreciation					
At 1 January 2016	704,576	157,056	132,596	2,912,097	3,906,325
Charge for the year	34,798	5,407	5,911	41,227	87,343
Eliminated on disposal	-	-	(6,611)	(1,288)	(7,899)
At 31 December 2016	739,374	162,463	131,896	2,952,036	3,985,769
Carrying amount					
At 31 December 2016	1,221,126	18,312	100,170	271,556	1,611,164
At 31 December 2015	1,255,924	18,511	30,082	268,262	1,572,779

Richard Grant & Son (Leverton) Limited

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

5 Investments

	2016 £	2015 £
Investments in subsidiaries	54,000	54,000

Subsidiaries

£

Fair value

At 1 January 2016	54,000
At 31 December 2016	54,000

Based on net assets at 31st December, 2013.

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2016	2015
Subsidiary undertakings				
SJG Electrical and Security Limited	Sheepgate Nursery Leverton Boston Lincolnshire PE22 0AS England & Wales	Ordinary shares	52%	52%

The principal activity of SJG Electrical and Security Limited is the installation of electrical and security systems Its financial period end is 31 December.

The profit for the financial period of SJG Electrical and Security Limited was £20,157 and the aggregate amount of capital and reserves at the end of the period was £71,473.

6 Stocks

	2016 £	2015 £
Raw materials and consumables	310,798	300,738
Finished goods and goods for resale	66,316	54,601
Other inventories	248,858	241,335
	<hr/>	<hr/>
	625,972	596,674
	<hr/>	<hr/>

Richard Grant & Son (Leverton) Limited**Notes to the Financial Statements for the Year Ended 31 December 2016****7 Debtors**

	Note	2016 £	2015 £
Trade debtors		29,716	164,589
Prepayments and accrued income		31,482	15,670
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>11</u>	415,622	376,032
Other debtors		60,502	78,786
		<hr/>	<hr/>
Total current trade and other debtors		537,322	635,077
		<hr/> <hr/>	<hr/> <hr/>

8 Creditors

	Note	2016 £	2015 £
Due within one year			
Bank loans and overdrafts	<u>9</u>	266,756	342,910
Trade creditors		86,614	128,551
Accruals and deferred income		36,702	41,234
Finance lease liabilities		12,057	-
Taxation and social security		10,901	10,623
Other creditors		229,264	263,562
		<hr/>	<hr/>
		642,294	786,880
		<hr/> <hr/>	<hr/> <hr/>

Due after one year

Finance lease liabilities		56,343	-
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9 Loans and borrowings

	2016 £	2015 £
Non-current loans and borrowings		
Finance lease liabilities	56,343	-

	2016 £	2015 £
Current loans and borrowings		
Bank overdrafts	266,756	342,910
Finance lease liabilities	12,057	-
Other borrowings	-	120,000
	278,813	462,910

Bank borrowings of £266,756 (2015 - £342,910) are secured on the assets of the company.

Richard Grant & Son (Leverton) Limited**Notes to the Financial Statements for the Year Ended 31 December 2016****10 Dividends****Interim dividends paid**

	2016	2015
	£	£
Interim dividend of £1.72 (2015 - £2.67) per each Ordinary A share	1,716	2,669
Interim dividend of £1.72 (2015 - £2.67) per each Ordinary B share	13,987	21,762
	<hr/>	<hr/>
	15,703	24,431
	<hr/> <hr/>	<hr/> <hr/>

11 Related party transactions**Key management compensation**

	2016	2015
	£	£
Salaries and other short term employee benefits	34,468	34,524
	<hr/> <hr/>	<hr/> <hr/>

Transactions with directors

	At 1		Repayments	At 31
	January	Advances	by director	December
	2016	to directors	£	2016
	£	£		£
2016				
S L Payne				
Directors loan account	34,409	8,356	(8,356)	34,409
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	At 1		Advances	At 31
	January	to directors		December
	2015	£		2015
	£			£
2015				
S L Payne				

S L Payne

Directors loan account	27,935	6,474	34,409
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Summary of transactions with subsidiaries

Management charges to SJG Electrical and Security Limited - £40,000 (2015 - £36,000).

Office rent charged to SJG Electrical and Security Limited - £13,200 (2015 - £12,000).

Dividends received from SJG Electrical and Security Limited - £7,800 (2015 - £10,400).

Interest of £10,137 (2015: £8,046) is due in respect of the loan balance from SJG Electrical and Security Limited.

Summary of transactions with other related parties

D i r e c t o r s

Rents paid to directors amounted to £5,400 (2015: £5,400).

Rents paid by directors amounted to £8,700 (2015: £4,350).

Richard Grant & Son (Leverton) Limited**Notes to the Financial Statements for the Year Ended 31 December 2016****Income and receivables from related parties**

2016	Subsidiary £
Sale of goods	10,670
	<hr/>
2015	Subsidiary £
Sale of goods	10,336
	<hr/>

Expenditure with and payables to related parties

2016	Subsidiary £
Purchase of goods	21,910
	<hr/>
2015	Subsidiary £
Purchase of goods	21,130
	<hr/>

Loans to related parties

2016	Subsidiary £	Other related parties £
At start of period	376,032	109,085
Advanced	39,590	85,699
	<hr/>	<hr/>
At end of period	415,622	194,784
	<hr/>	<hr/>
2015	Subsidiary £	Other related parties £
At start of period	345,704	(14,904)
Advanced	30,328	123,989
	<hr/>	<hr/>

At end of period

376,032

109,085

12 Transition to FRS 102

There have been no changes to the figures reported in the financial statements for the current or preceding year following the adoption of FRS 102.

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