

**REGISTERED NUMBER: 00469211 (England and Wales)**

Unaudited Financial Statements for the Year Ended 31 December 2018

for

John Baxter & Sons Limited

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for the Year Ended 31 December 2018

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**DIRECTORS:**

M A Lockley  
R A Smith  
A Squire

**REGISTERED OFFICE:**

11 Boston Road  
Leicester  
Leicestershire  
LE4 1AA

**REGISTERED NUMBER:**

00469211 (England and Wales)

**ACCOUNTANTS:**

Curo Chartered Accountants  
Curo House  
Greenbox  
Westonhall Road  
Bromsgrove  
Worcestershire  
B60 4AL

Balance Sheet  
31 December 2018

|  | Notes | 2018<br>£        | £                | 2017<br>£        | £                |
|--|-------|------------------|------------------|------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                  |                  |                  |
| Tangible assets                              | 4     |                  | 1,039,560        |                  | 1,168,893        |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |                  |                  |
| Stocks                                       |       | 66,557           |                  | 58,544           |                  |
| Debtors                                      | 5     | 1,024,015        |                  | 1,110,662        |                  |
| Cash at bank and in hand                     |       | <u>55,811</u>    |                  | <u>71,568</u>    |                  |
|  |       | 1,146,383        |                  | 1,240,774        |                  |
| <b>CREDITORS</b>                             |       |                  |                  |                  |                  |
| Amounts falling due within one year          | 6     | <u>1,114,107</u> |                  | <u>1,113,212</u> |                  |
| <b>NET CURRENT ASSETS</b>                    |       |                  | <u>32,276</u>    |                  | <u>127,562</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                  | 1,071,836        |                  | 1,296,455        |
| <b>CREDITORS</b>                             |       |                  |                  |                  |                  |
| Amounts falling due after more than one year | 7     |                  | (458,863)        |                  | (766,503)        |
| <b>PROVISIONS FOR LIABILITIES</b>            |       |                  | <u>(143,794)</u> |                  | <u>(130,077)</u> |
| <b>NET ASSETS</b>                            |       |                  | <u>469,179</u>   |                  | <u>399,875</u>   |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                  |                  |                  |
| Called up share capital                      |       |                  | 7,500            |                  | 7,500            |
| Retained earnings                            |       |                  | <u>461,679</u>   |                  | <u>392,375</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                  | <u>469,179</u>   |                  | <u>399,875</u>   |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 14 August 2019 and were signed on its behalf by:

M A Lockley - Director

Notes to the Financial Statements  
for the Year Ended 31 December 2018

1. **STATUTORY INFORMATION**

John Baxter & Sons Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Going concern**

The financial statements have been prepared on the going concern basis on the grounds that the directors believe that there is sufficient funding in place to support the business for the next twelve months from the date of approval of the financial statements.

**Turnover**

The amount of turnover is the invoiced value of goods and services supplied to customers, excluding value added tax, arising from the principal activity of the company.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

Long leasehold - over the term of the lease  
Plant and machinery - 10% reducing balance  
Motor vehicles - 20% on cost  
Computer equipment - 20% on cost

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

**2. ACCOUNTING POLICIES - continued**

**Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for; differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

2. **ACCOUNTING POLICIES - continued**

**Interest receivable and interest payable**

Interest payable and similar charges are recognised in the profit and loss account.

**Debtors**

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price, including any transaction costs, and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

**Creditors**

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 33 (2017 - 34) .

4. **TANGIBLE FIXED ASSETS**

|                       | Land and<br>buildings<br>£ | Plant and<br>machinery<br>etc<br>£ | Totals<br>£      |
|-----------------------|----------------------------|------------------------------------|------------------|
| <b>COST</b>           |                            |                                    |                  |
| At 1 January 2018     | 35,146                     | 1,911,597                          | 1,946,743        |
| Additions             | <u>1,400</u>               | <u>11,787</u>                      | <u>13,187</u>    |
| At 31 December 2018   | <u>36,546</u>              | <u>1,923,384</u>                   | <u>1,959,930</u> |
| <b>DEPRECIATION</b>   |                            |                                    |                  |
| At 1 January 2018     | 26,101                     | 751,749                            | 777,850          |
| Charge for year       | <u>3,655</u>               | <u>138,865</u>                     | <u>142,520</u>   |
| At 31 December 2018   | <u>29,756</u>              | <u>890,614</u>                     | <u>920,370</u>   |
| <b>NET BOOK VALUE</b> |                            |                                    |                  |
| At 31 December 2018   | <u>6,790</u>               | <u>1,032,770</u>                   | <u>1,039,560</u> |
| At 31 December 2017   | <u>9,045</u>               | <u>1,159,848</u>                   | <u>1,168,893</u> |



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

4. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

|   | Plant and<br>machinery<br>etc<br>£ |
|---|------------------------------------|
| <b>COST</b>                               |                                    |
| At 1 January 2018<br>and 31 December 2018 | <u>1,017,903</u>                   |
| <b>DEPRECIATION</b>                       |                                    |
| At 1 January 2018                         | 198,553                            |
| Charge for year                           | <u>88,233</u>                      |
| At 31 December 2018                       | <u>286,786</u>                     |
| <b>NET BOOK VALUE</b>                     |                                    |
| At 31 December 2018                       | <u>731,117</u>                     |
| At 31 December 2017                       | <u>819,350</u>                     |

5. **DEBTORS**

|   | 2018<br>£        | 2017<br>£        |
|---|------------------|------------------|
| Amounts falling due within one year:          |                  |                  |
| Trade debtors                                 | 508,717          | 521,243          |
| Amounts owed by group undertakings            | 472,775          | 11,310           |
| Other debtors                                 | <u>42,523</u>    | <u>13,332</u>    |
|   | <u>1,024,015</u> | <u>545,885</u>   |
| Amounts falling due after more than one year: |                  |                  |
| Amounts owed by group undertakings            | <u>-</u>         | <u>564,777</u>   |
| Aggregate amounts                             | <u>1,024,015</u> | <u>1,110,662</u> |

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 2018<br>£        | 2017<br>£        |
|------------------------------------|------------------|------------------|
| Hire purchase contracts            | 181,434          | 169,224          |
| Trade creditors                    | 439,700          | 400,224          |
| Amounts owed to group undertakings | 3,995            | -                |
| Taxation and social security       | 59,415           | 76,150           |
| Other creditors                    | <u>429,563</u>   | <u>467,614</u>   |
|                                    | <u>1,114,107</u> | <u>1,113,212</u> |

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2018

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                                    | 2018           | 2017           |
|------------------------------------|----------------|----------------|
|                                    | £              | £              |
| Hire purchase contracts            | 458,863        | 606,405        |
| Amounts owed to group undertakings | -              | 160,098        |
|                                    | <u>458,863</u> | <u>766,503</u> |

8. **SECURED DEBTS**

The following secured debts are included within creditors:

|                         | 2018             | 2017             |
|-------------------------|------------------|------------------|
|                         | £                | £                |
| Hire purchase contracts | 640,297          | 775,629          |
| Other creditors         | 423,211          | 462,500          |
|                         | <u>1,063,508</u> | <u>1,238,129</u> |

Hire purchase liabilities are secured over the assets to which the liabilities relate.

Other creditors are secured by way of a fixed and floating charge over the assets of the company and a charge over the book debts.

9. **PARENT COMPANY**

John Baxter & Sons Limited is a wholly owned subsidiary of MLAK Limited. The registered office of MLAK Limited is at the following address.

11 Boston Road  
Leicester  
LE4 1AA

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