

G H BROOKS & CO (HARROGATE) LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2014

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FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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G H BROOKS & CO (HARROGATE) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

DIRECTORS:

J P Broadwith
Mrs J Broadwith
A J Broadwith

SECRETARY:

Mrs G Brown

REGISTERED OFFICE:

Hartwith House
Claro Road
Harrogate
North Yorkshire
HG1 4DS

REGISTERED NUMBER:

00646437 (England and Wales)

AUDITORS:

DSC Accountants Ltd.
Chartered Accountants
Statutory Auditors
Tattersall House
East Parade
Harrogate
North Yorkshire
HG1 5LT

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

The directors present their strategic report for the year ended 30 September 2014.

REVIEW OF BUSINESS

The results for the year are as set out on page 7 of the accounts. It has been an exceptionally good trading year for the company with turnover up 65% and net profit 70% higher than the previous year. A large proportion of the increased turnover was on lower margins, hence the reason for the drop in gross profit margins. The expansion of the business in 2012/13 through the opening of a new depot has helped increase the core turnover of the business and cashflow remains positive. The directors are encouraged by the results and the prospects for the future.

The company has taken advantage of the exemptions available to medium sized companies concerning key performance indicators.

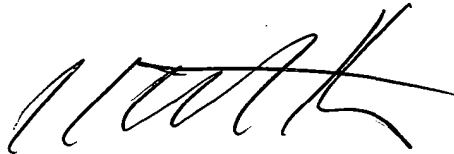
PRINCIPAL RISKS AND UNCERTAINTIES

Given the nature of the market in which the company operates, there is a degree of risk of bad debts but the directors are confident that the policies they have implemented help to mitigate those risks.

ON BEHALF OF THE BOARD:

x

J P Broadwith - Director



4 June 2015

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

The directors present their report with the accounts of the company for the year ended 30 September 2014.

DIVIDENDS

No dividends will be distributed for the year ended 30 September 2014.

FUTURE DEVELOPMENTS

The year ended 30 September 2014 was an exceptional year in terms of turnover and profitability and the directors do not expect this to be repeated during the next year. However, margins are expected to improve, cashflow remains good, and the outlook for the coming financial years remains encouraging.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2013 to the date of this report.

J P Broadwith
Mrs J Broadwith
A J Broadwith

CHARITABLE DONATIONS

During the year the company made numerous charitable donations totalling £16,004. The company is particularly supportive of St Michael's Hospice, a locally based charity in Harrogate, which helps to improve the lives of people affected by terminal illness.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

AUDITORS

The auditors, DSC Accountants Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

+

J P Broadwith - Director

A handwritten signature in black ink, appearing to read 'JP Broadwith', with a large, stylized flourish at the end.

4 June 2015

**REPORT OF THE INDEPENDENT AUDITORS TO
G H BROOKS & CO (HARROGATE) LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages six to sixteen, together with the full financial statements of G H Brooks & Co (Harrogate) Limited for the year ended 30 September 2014 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors


The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



John Campbell (Senior Statutory Auditor)
for and on behalf of DSC Accountants Ltd
Chartered Accountants
Statutory Auditors
Tattersall House
East Parade
Harrogate
North Yorkshire
HG1 5LT

4 June 2015

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Notes	2014 £	2013 £
TURNOVER		12,859,406	7,759,085
Cost of sales and other operating income		(9,630,238)	(5,334,143)
		<hr/>	<hr/>
		3,229,168	2,424,942
Administrative expenses		<hr/>	<hr/>
		2,172,387	1,803,316
OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	1,056,781	621,626
Tax on profit on ordinary activities	4	<hr/>	<hr/>
		365,000	151,443
PROFIT FOR THE FINANCIAL YEAR		<hr/> <hr/>	<hr/> <hr/>
		691,781	470,183

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	2014 £	2013 £
PROFIT FOR THE FINANCIAL YEAR	691,781	470,183
Unrealised surplus on revaluation of properties	42,622	-
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>734,403</u>	<u>470,183</u>

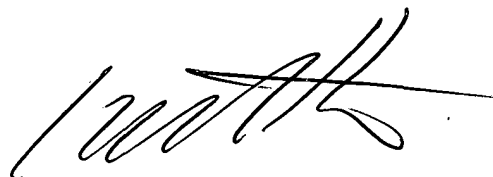
ABBREVIATED BALANCE SHEET
30 SEPTEMBER 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Intangible assets	5	15,000	20,000
Tangible assets	6	2,541,529	2,336,562
Investments	7	1,750	1,750
Investment property	8	215,000	172,378
		<u>2,773,279</u>	<u>2,530,690</u>
CURRENT ASSETS			
Stocks	9	667,007	568,934
Debtors	10	3,011,205	2,025,304
Cash at bank and in hand		443,321	56,438
		<u>4,121,533</u>	<u>2,650,676</u>
CREDITORS			
Amounts falling due within one year	11	2,509,191	2,085,491
		<u>2,509,191</u>	<u>2,085,491</u>
NET CURRENT ASSETS		<u>1,612,342</u>	<u>565,185</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,385,621</u>	<u>3,095,875</u>
PROVISIONS FOR LIABILITIES	12	603,343	48,000
NET ASSETS		<u><u>3,782,278</u></u>	<u><u>3,047,875</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	2,000	2,000
Revaluation reserve	14	42,622	-
Profit and loss account	14	3,737,656	3,045,875
SHAREHOLDERS' FUNDS	18	<u><u>3,782,278</u></u>	<u><u>3,047,875</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 4 June 2015 and were signed on its behalf by:

J P Broadwith - Director



**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Notes	2014 £	2013 £
Net cash inflow from operating activities	1	1,258,191	383,688
Taxation		(141,443)	(50,422)
Capital expenditure	2	(341,956)	(90,345)
		<u>774,792</u>	<u>242,921</u>
Financing	2	(387,909)	(251,287)
Increase/(decrease) in cash in the period		<u>386,883</u>	<u>(8,366)</u>

**Reconciliation of net cash flow
to movement in net funds**

	3		
Increase/(decrease) in cash in the period		<u>386,883</u>	<u>(8,366)</u>
Change in net funds resulting from cash flows		<u>386,883</u>	<u>(8,366)</u>
Movement in net funds in the period		<u>386,883</u>	<u>(8,366)</u>
Net funds at 1 October		<u>56,438</u>	<u>64,804</u>
Net funds at 30 September		<u>443,321</u>	<u>56,438</u>

The notes form part of these abbreviated accounts

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	1,056,781	621,626
Depreciation charges	159,595	132,070
(Profit)/loss on disposal of fixed assets	(17,606)	39
Increase in provisions	538,343	-
Increase in stocks	(98,073)	(176,391)
Increase in debtors	(976,644)	(455,904)
Increase in creditors	595,795	262,248
Net cash inflow from operating activities	1,258,191	383,688

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014 £	2013 £
Capital expenditure		
Purchase of tangible fixed assets	(392,456)	(120,942)
Sale of tangible fixed assets	50,500	30,597
Net cash outflow for capital expenditure	(341,956)	(90,345)
Financing		
Amount introduced by directors	20,945	241,660
Amount withdrawn by directors	(408,854)	(492,947)
Net cash outflow from financing	(387,909)	(251,287)

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.13 £	Cash flow £	At 30.9.14 £
Net cash:			
Cash at bank and in hand	56,438	386,883	443,321
	<u>56,438</u>	<u>386,883</u>	<u>443,321</u>
Total	56,438	386,883	443,321

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2007, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life:

Freehold property	2% on cost
Plant and machinery	20% on reducing balance
Fixtures and fittings	20% on reducing balance
Computer equipment	20% on cost
Motor vehicles	20% on reducing balance

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

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

2. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	817,611	634,154
Social security costs	83,056	62,216
	<u>900,667</u>	<u>696,370</u>

The average monthly number of employees during the year was as follows:

2014	2013
<u>25</u>	<u>27</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Other operating leases	61,000	61,000
Depreciation - owned assets	154,595	127,070
(Profit)/loss on disposal of fixed assets	(17,606)	39
Goodwill amortisation	5,000	5,000
Auditors' remuneration	3,150	3,090
Employer Financed Retirement Benefit Scheme - contribution	-	238,000
Employer Financed Retirement Benefit Scheme - settlement	538,343	-
	<u>278,907</u>	<u>138,535</u>
Directors' remuneration	<u>278,907</u>	<u>138,535</u>

Information regarding the highest paid director for the year ended 30 September 2014 is as follows:

	2014
	£
Emoluments etc	<u>161,031</u>

4. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2014	2013
	£	£
Current tax:		
UK corporation tax	348,000	141,443
Deferred tax	17,000	10,000
Tax on profit on ordinary activities	<u>365,000</u>	<u>151,443</u>

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2014	2013
	£	£
Profit on ordinary activities before tax	<u>1,056,781</u>	<u>621,626</u>
Profit on ordinary activities		
multiplied by the standard rate of corporation tax		
in the UK of 22% (2013 - 22.277%)	232,492	138,480
Effects of:		
Expenses not deductible for tax purposes	123,083	1,017
Capital allowances in excess of depreciation	(9,825)	(50)
Other tax adjustments	2,250	1,996
Current tax charge	<u>348,000</u>	<u>141,443</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014

5. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 October 2013 and 30 September 2014	50,000
AMORTISATION	
At 1 October 2013	30,000
Amortisation for year	5,000
At 30 September 2014	35,000
NET BOOK VALUE	
At 30 September 2014	15,000
At 30 September 2013	20,000

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 October 2013	2,103,873	306,891	182,582	505,198	3,098,544
Additions	158,280	-	24,241	209,935	392,456
Disposals	-	-	-	(106,548)	(106,548)
At 30 September 2014	2,262,153	306,891	206,823	608,585	3,384,452
DEPRECIATION					
At 1 October 2013	114,698	206,726	122,983	317,575	761,982
Charge for year	45,243	20,033	17,869	71,450	154,595
Eliminated on disposal	-	-	-	(73,654)	(73,654)
At 30 September 2014	159,941	226,759	140,852	315,371	842,923
NET BOOK VALUE					
At 30 September 2014	2,102,212	80,132	65,971	293,214	2,541,529
At 30 September 2013	1,989,175	100,165	59,599	187,623	2,336,562

7. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 October 2013 and 30 September 2014	1,750
NET BOOK VALUE	
At 30 September 2014	1,750
At 30 September 2013	1,750

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

8. INVESTMENT PROPERTY

	Total £
COST OR VALUATION	
At 1 October 2013	172,378
Revaluations	42,622
	<hr/>
At 30 September 2014	215,000
	<hr/>
NET BOOK VALUE	
At 30 September 2014	215,000
	<hr/>
At 30 September 2013	172,378
	<hr/>

Cost or valuation at 30 September 2014 is represented by:

	£
Valuation in 2014	42,622
Cost	172,378
	<hr/>
	215,000
	<hr/>

If the investment property had not been revalued it would have been included at the following historical cost:

	2014 £	2013 £
Cost	172,378	-
	<hr/>	<hr/>

The investment property was valued on an open market basis on 30 September 2014 by the directors.

9. STOCKS

	2014 £	2013 £
Stocks	667,007	568,934
	<hr/>	<hr/>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	2,926,565	1,943,397
Other debtors	11,575	22,947
Directors' current accounts	34,472	25,215
Prepayments and accrued income	38,593	33,745
	<hr/>	<hr/>
	3,011,205	2,025,304
	<hr/>	<hr/>

Included within debtors are interest-free loans to the directors. Full details are shown in note 15 of the accounts.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	1,472,299	662,787
Tax	348,000	141,443
Social security and other taxes	19,068	153,124
Directors' current accounts	586,040	964,692
Accruals and deferred income	83,784	163,445
	<u>2,509,191</u>	<u>2,085,491</u>

12. PROVISIONS FOR LIABILITIES

	2014	2013
	£	£
Deferred tax	65,000	48,000
Other provisions	538,343	-
	<u>603,343</u>	<u>48,000</u>
	Deferred tax	Other provisions
	£	£
Balance at 1 October 2013	48,000	-
Charge to Profit and Loss Account during year	-	538,343
Capital allowances in advance of depreciation	17,000	-
Balance at 30 September 2014	<u>65,000</u>	<u>538,343</u>

Other provisions relates to the settlement of the Employer Financed Retirement Benefit Scheme.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2014	2013
Number:	Class:	Nominal value:	£	£
2,000	Ordinary shares	£1	<u>2,000</u>	<u>2,000</u>

14. RESERVES

	Profit and loss account	Revaluation reserve	Totals
	£	£	£
At 1 October 2013	3,045,875	-	3,045,875
Profit for the year	691,781		691,781
Revaluation	-	42,622	42,622
At 30 September 2014	<u>3,737,656</u>	<u>42,622</u>	<u>3,780,278</u>

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

15. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 September 2014 and 30 September 2013:

	2014 £	2013 £
J P Broadwith		
Balance outstanding at start of year	(964,692)	(1,207,997)
Amounts advanced	382,012	481,705
Amounts repaid	(3,360)	(238,400)
Balance outstanding at end of year	<u>(586,040)</u>	<u>(964,692)</u>
 Mrs J Broadwith		
Balance outstanding at start of year	14,850	10,420
Amounts advanced	1,100	4,430
Amounts repaid	-	-
Balance outstanding at end of year	<u>15,950</u>	<u>14,850</u>
 A J Broadwith		
Balance outstanding at start of year	10,365	6,813
Amounts advanced	25,742	6,812
Amounts repaid	(17,585)	(3,260)
Balance outstanding at end of year	<u>18,522</u>	<u>10,365</u>

16. RELATED PARTY DISCLOSURES

During the year the company paid rent of £61,000 to The G H Brooks & Co (Harrogate) Ltd Pension Scheme, a scheme of which the directors Mr J P Broadwith and Mrs J Broadwith are beneficiaries.

17. ULTIMATE CONTROLLING PARTY

The controlling party is J P Broadwith.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Profit for the financial year	691,781	470,183
Other recognised gains and losses relating to the year (net)	<u>42,622</u>	<u>-</u>
Net addition to shareholders' funds	734,403	470,183
Opening shareholders' funds	<u>3,047,875</u>	<u>2,577,692</u>
Closing shareholders' funds	<u><u>3,782,278</u></u>	<u><u>3,047,875</u></u>