

# A A Broughton & Son Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 30 September 2018

M W Burrough & Co  
Chartered Accountants  
10 South Street  
Bridport  
Dorset  
DT6 3NJ

# **A A Broughton & Son Limited**

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# **A A Broughton & Son Limited**

## **Company Information**

**Director** Mr James Donne Broughton

**Registered office** 10 South Street  
Bridport  
Dorset  
DT6 3NJ

**Accountants** M W Burrough & Co  
Chartered Accountants  
10 South Street  
Bridport  
Dorset  
DT6 3NJ

**A A Broughton & Son Limited**  
**(Registration number: 00651060)**  
**Balance Sheet as at 30 September 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	1,446,146	1,515,079
Investment property	<u>5</u>	421,400	407,228
		<u>1,867,546</u>	<u>1,922,307</u>
<b>Current assets</b>			
Stocks	<u>6</u>	224,800	354,087
Debtors	<u>7</u>	29,244	20,235
Investments	<u>8</u>	45	45
Cash at bank and in hand		103,588	38,027
		357,677	412,394
<b>Creditors: Amounts falling due within one year</b>	<u>9</u>	(233,077)	(252,793)
<b>Net current assets</b>		<u>124,600</u>	<u>159,601</u>
<b>Total assets less current liabilities</b>		1,992,146	2,081,908
<b>Creditors: Amounts falling due after more than one year</b>	<u>9</u>	(1,016,826)	(1,080,609)
<b>Provisions for liabilities</b>		<u>(74,040)</u>	<u>(77,077)</u>
<b>Net assets</b>		<u>901,280</u>	<u>924,222</u>
<b>Capital and reserves</b>			
Called up share capital	<u>10</u>	11,792	11,792
Share premium reserve		686,309	686,309
Other reserves		11,480	-
Profit and loss account		191,699	226,121
<b>Total equity</b>		<u>901,280</u>	<u>924,222</u>

For the financial year ending 30 September 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 director on 18 June 2019

.....  
Mr James Donne Broughton  
Director

The notes on pages 3 to 8 form an integral part of these financial statements.  
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# **A A Broughton & Son Limited**

## **Notes to the Financial Statements for the Year Ended 30 September 2018**

### **1 General information**

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

The address of its registered office is:

10 South Street  
Bridport  
Dorset  
DT6 3NJ  
United Kingdom

The principal place of business is:

Impens  
North Newton  
Bridgwater  
Somerset  
TA7 0BB

These financial statements were authorised for issue by the director on 18 June 2019.

### **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.

#### **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.

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.

#### **Tax**

The tax expense for the period comprises current and deferred 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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

# **A A Broughton & Son Limited**

## **Notes to the Financial Statements for the Year Ended 30 September 2018**

### **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.

### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	15% reducing balance
Tractors	30% reducing balance
Motor Vehicles	25% reducing balance

### **Investment property**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

### **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 initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, 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 initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### **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.





# A A Broughton & Son Limited

## Notes to the Financial Statements for the Year Ended 30 September 2018

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

### 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.

### 3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 4 (2017 - 6).

### 4 Tangible assets

	Land and buildings £	Tractors £	Motor vehicles £	Other tangible assets £	Total £
<b>Cost or valuation</b>					
At 1 October 2017	1,535,288	311,478	39,595	730,085	2,616,446
Additions	255	68,000	-	5,382	73,637
Disposals	-	(43,328)	-	(1,500)	(44,828)
At 30 September 2018	1,535,543	336,150	39,595	733,967	2,645,255
<b>Depreciation</b>					
At 1 October 2017	425,877	192,455	28,530	454,505	1,101,367
Charge for the year	39,034	54,724	2,767	41,337	137,862
Eliminated on disposal	-	(38,720)	-	(1,400)	(40,120)
At 30 September 2018	464,911	208,459	31,297	494,442	1,199,109

**Carrying amount**

At 30 September 2018	<u>1,070,632</u>	<u>127,691</u>	<u>8,298</u>	<u>239,525</u>	<u>1,446,146</u>
At 30 September 2017	<u>1,109,411</u>	<u>119,023</u>	<u>11,065</u>	<u>275,580</u>	<u>1,515,079</u>

Included within the net book value of land and buildings above is £595,329 (2017 - £595,074) in respect of freehold land and buildings and £475,303 (2017 - £514,337) in respect of long leasehold land and buildings.

# A A Broughton & Son Limited

## Notes to the Financial Statements for the Year Ended 30 September 2018

### 5 Investment properties

	<b>2018</b>
	<b>£</b>
At 1 October	407,228
Fair value adjustments	<u>14,172</u>
At 30 September	<u><u>421,400</u></u>

There has been no valuation of investment property by an independent valuer.

### 6 Stocks

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other inventories	<u>224,800</u>	<u>354,087</u>

### 7 Debtors

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	19,213	129
Prepayments	1,392	1,318
Other debtors	<u>8,639</u>	<u>18,788</u>
	<u><u>29,244</u></u>	<u><u>20,235</u></u>

### 8 Current asset investments

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other investments	<u>45</u>	<u>45</u>

# A A Broughton & Son Limited

## Notes to the Financial Statements for the Year Ended 30 September 2018

### 9 Creditors

#### Creditors: amounts falling due within one year

	Note	2018 £	2017 £
<b>Due within one year</b>			
Bank loans and overdrafts	<u>11</u>	58,692	53,701
Trade creditors		39,447	31,282
Taxation and social security		1,138	16,659
Accruals and deferred income		8,702	6,327
Other creditors		125,098	144,824
		<u>233,077</u>	<u>252,793</u>

#### Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
<b>Due after one year</b>			
Loans and borrowings	<u>11</u>	<u>1,016,826</u>	<u>1,080,609</u>

### 10 Share capital

#### Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	11,692	11,692	11,692	11,692
Ordinary A of £1 each	100	100	100	100
	<u>11,792</u>	<u>11,792</u>	<u>11,792</u>	<u>11,792</u>

### 11 Loans and borrowings

	2018 £	2017 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	996,826	1,017,043
Finance lease liabilities	<u>20,000</u>	<u>63,566</u>
	<u>1,016,826</u>	<u>1,080,609</u>

# A A Broughton & Son Limited

## Notes to the Financial Statements for the Year Ended 30 September 2018

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Bank borrowings	15,125	10,034
Finance lease liabilities	43,567	43,667
	<u>58,692</u>	<u>53,701</u>

### 12 Related party transactions

#### Directors' remuneration

The director's remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	6,934	6,933
Contributions paid to money purchase schemes	40,000	65,000
Directors amount under long term incentive schemes in respect of qualifying services	2,798	2,297
	<u>49,732</u>	<u>74,230</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.