

Company Registration No. 00848334 (England and Wales)

**A W STOKES & SON (DRUMS) LIMITED**

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 APRIL 2017**

**PAGES FOR FILING WITH REGISTRAR**



# A W STOKES & SON (DRUMS) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	J H Stokes J A Stokes C J W Stokes
<b>Secretary</b>	J A Stokes
<b>Company number</b>	00848334
<b>Registered office</b>	Hall Street Lyng Trading Estate West Bromwich West Midlands B70 7DN
<b>Accountants</b>	RSM UK Tax and Accounting Limited Chartered Accountants St Philips Point Temple Row Birmingham West Midlands B2 5AF

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**A W STOKES & SON (DRUMS) LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 30 APRIL 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	3		484,464		573,894
<b>Current assets</b>					
Stocks		246,101		162,113	
Debtors	4	1,353,793		775,239	
Cash at bank and in hand		541,073		534,748	
		<u>2,140,967</u>		<u>1,472,100</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(1,869,670)</u>		<u>(1,394,374)</u>	
<b>Net current assets</b>			271,297		77,726
<b>Total assets less current liabilities</b>			755,761		651,620
<b>Provisions for liabilities</b>	7		(51,859)		(71,000)
<b>Net assets</b>			<u>703,902</u>		<u>580,620</u>
<b>Capital and reserves</b>					
Called up share capital	8		4,000		4,000
Profit and loss reserves			699,902		576,620
<b>Total equity</b>			<u>703,902</u>		<u>580,620</u>

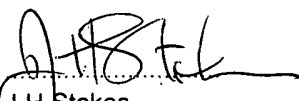
The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 April 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 8/11/17 and are signed on its behalf by:

  
J H Stokes  
Director

# A W STOKES & SON (DRUMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 APRIL 2017

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#### 1 Accounting policies

##### Company information

A W Stokes & Son (Drums) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Hall Street, Lyng Trading Estate, West Bromwich, West Midlands, B70 7DN.

##### Accounting convention

##### First time adoption of FRS102

These financial statements are the first financial statements of A W Stokes & Son (Drums) Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) as applied to smaller entities by the adoption of Section 1A of FRS 102. The financial statements of A W Stokes & Son (Drums) Limited for the year ended 30 April 2016 were prepared in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE 2015).

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from FRSSE 2015. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

There has been no impact on the reporting financial position or financial performance as shown under the Financial Reporting Standard for Smaller Entities (effective April 2008) at the date of transition to FRS 102 or in the comparative period. As a result the company has not presented the reconciliations and descriptions of the effect of the transition to FRS 102 on; (i) equity at the date of transition to FRS 102; (ii) equity at the end of the comparative period; and (iii) profit or loss for the comparative period reported under the Financial Reporting Standard for Smaller Entities (effective January 2015) as would normally be presented if there had been a change at transition date.

##### Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime and under the historical cost convention modified to include certain financial instruments at fair value.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The principal accounting policies adopted are set out below.

##### Going concern

The company continues to be profitable and the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### Turnover

Turnover represents the value, net of value added tax, of goods and services supplied to customers during the year.

##### Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# A W STOKES & SON (DRUMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2017

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#### 1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	12.5% straight line basis
Office equipment	25% straight line basis
Motor vehicles	25% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **Stocks**

Stocks (including work in progress) are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks.

#### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

*Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.*

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

# A W STOKES & SON (DRUMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2017

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#### 1 Accounting policies (Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

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 company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, and loans from fellow group are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

##### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# **A W STOKES & SON (DRUMS) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 30 APRIL 2017**

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#### **1 Accounting policies (Continued)**

##### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The holiday year for the company ends at 31 December and employees are not entitled to carry forward any unused holiday entitlement at the reporting date.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

##### **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

# A W STOKES & SON (DRUMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2017

#### 1 Accounting policies (Continued)

##### Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

##### Research and development

The company does not capitalise development expenditure, instead it is written off to profit or loss as incurred.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 29 (2016 - 28).

#### 3 Tangible fixed assets

	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 May 2016	2,035,657	35,617	98,589	2,169,863
Additions	9,000	-	26,126	35,126
	<u>2,044,657</u>	<u>35,617</u>	<u>124,715</u>	<u>2,204,989</u>
At 30 April 2017	2,044,657	35,617	124,715	2,204,989
<b>Depreciation and impairment</b>				
At 1 May 2016	1,539,247	34,104	22,618	1,595,969
Depreciation charged in the year	103,873	1,146	19,537	124,556
	<u>1,643,120</u>	<u>35,250</u>	<u>42,155</u>	<u>1,720,525</u>
At 30 April 2017	1,643,120	35,250	42,155	1,720,525
<b>Carrying amount</b>				
At 30 April 2017	<u>401,537</u>	<u>367</u>	<u>82,560</u>	<u>484,464</u>
At 30 April 2016	<u>496,410</u>	<u>1,513</u>	<u>75,971</u>	<u>573,894</u>

# A W STOKES & SON (DRUMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

### 4 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,253,173	767,607
Other debtors	100,620	7,632
	<u>1,353,793</u>	<u>775,239</u>

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

	2017 £	2016 £
Trade creditors	1,475,251	956,356
Amounts due to group undertakings	128,536	282,311
Corporation tax	120,410	35,138
Other taxation and social security	112,946	85,882
Other creditors	32,527	34,687
	<u>1,869,670</u>	<u>1,394,374</u>

### 6 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	51,859	71,000
	<u>51,859</u>	<u>71,000</u>

### 7 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2017 £	Liabilities 2016 £
<b>Balances:</b>		
Accelerated capital allowances	<u>51,859</u>	<u>71,000</u>
<b>Movements in the year:</b>		2017 £
Liability at 1 May 2016		71,000
Credit to profit or loss		(19,141)
Liability at 30 April 2017		<u>51,859</u>

# A W STOKES & SON (DRUMS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

### 8 Called up share capital

	2017 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2,040 Ordinary shares of £1 each	2,040	2,040
960 Ordinary A shares of £1 each	960	960
500 Ordinary B shares of £1 each	500	500
500 Ordinary C shares of £1 each	500	500
	<u>4,000</u>	<u>4,000</u>

### 9 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	37,062	37,062
Between one and five years	129,892	148,248
In over five years	70,146	88,852
	<u>237,100</u>	<u>274,162</u>

### 10 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2017 £	2016 £
Acquisition of tangible fixed assets	<u>218,792</u>	<u>-</u>

### 11 Related party transactions

During last year the company sold a motor vehicle to a director for £6,645. No balances are outstanding in respect of this transaction. No such transaction occurred this year.