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**SHEPPY LIMITED**

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**UNAUDITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MAY 2013**



**SHEPPY LIMITED**  
**REGISTERED NUMBER: 01543842**

**ABBREVIATED BALANCE SHEET**  
**AS AT 31 MAY 2013**

	Note	£	2013 £	£	2012 £
<b>FIXED ASSETS</b>					
Tangible assets	2		15,917		179,341
Investment property	3		600,000		694,000
Investments	4		851,587		851,587
			<u>1,467,504</u>		<u>1,724,928</u>
<b>CURRENT ASSETS</b>					
Stocks		-		80,309	
Debtors		241,201		694,424	
Cash at bank		119,382		46,141	
		<u>360,583</u>		<u>820,874</u>	
<b>CREDITORS: amounts falling due within one year</b>	5	<u>(869,809)</u>		<u>(976,880)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(509,226)</u>		<u>(156,006)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>958,278</u>		<u>1,568,922</u>
<b>CREDITORS: amounts falling due after more than one year</b>	6		<u>(358,110)</u>		<u>(1,003,570)</u>
<b>NET ASSETS</b>			<u>600,168</u>		<u>565,352</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	7		48,892		66,539
Share premium account			256,340		544,321
Investment property reserve	8		50,000		-
Profit and loss account			244,936		(45,508)
<b>SHAREHOLDERS' FUNDS</b>			<u>600,168</u>		<u>565,352</u>

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**SHEPPY LIMITED**

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**ABBREVIATED BALANCE SHEET (continued)  
AS AT 31 MAY 2013**

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The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 May 2013 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

The abbreviated accounts, which 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, were approved and authorised for issue by the board and were signed on its behalf on 25th February 2014



**C K Stevens**  
Director

The notes on pages 3 to 7 form part of these financial statements

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## SHEPPY LIMITED

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### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2013

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of Investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

##### 1.2 Going concern

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The directors confirm that they consider that the going concern basis remains appropriate. The directors have taken notice of the Financial Reporting Council guidance 'Going Concern and Liquidity Risk Guidance for Directors of UK Companies 2009' which requires the reasons for this decision to be explained. The directors believe that the company has sufficient resources to continue in operational existence for the foreseeable future.

##### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	straight line over 50 years
Plant and machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Office equipment	-	20% reducing balance
Storage containers	-	25% reducing balance

##### 1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

##### 1.6 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

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## **SHEPPY LIMITED**

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### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2013**

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#### **1. ACCOUNTING POLICIES (continued)**

##### **1.7 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **1.8 Operating leases**

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

##### **1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

##### **1.10 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

##### **1.11 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

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**SHEPPY LIMITED**

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**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2013**

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**2. TANGIBLE FIXED ASSETS**

	£
<b>Cost</b>	
At 1 June 2012	663,252
Additions	795
Disposals	(599,487)
At 31 May 2013	<u>64,560</u>
<b>Depreciation</b>	
At 1 June 2012	483,911
Charge for the year	13,471
On disposals	(448,739)
At 31 May 2013	<u>48,643</u>
<b>Net book value</b>	
At 31 May 2013	<u><u>15,917</u></u>
At 31 May 2012	<u><u>179,341</u></u>

**3. INVESTMENT PROPERTY**

	£
<b>Valuation</b>	
At 1 June 2012	694,000
Disposals	(144,000)
Surplus/(deficit) on revaluation	50,000
At 31 May 2013	<u>600,000</u>
The 2013 valuations were made by the directors, on an open market value for existing use basis	
<b>Revaluation reserves</b>	
Net surplus in investment properties	<u>50,000</u>
At 31 May 2013	<u><u>50,000</u></u>

# SHEPPY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2013

### 4. FIXED ASSET INVESTMENTS

	£
<b>Cost or valuation</b>	
At 1 June 2012 and 31 May 2013	<u>957,706</u>
<b>Impairment</b>	
At 1 June 2012 and 31 May 2013	<u>106,119</u>
<b>Net book value</b>	
At 31 May 2013	<u>851,587</u>
At 31 May 2012	<u>851,587</u>

### Subsidiary undertakings

The following were subsidiary undertakings of the company

The aggregate of the share capital and reserves as at 31 May 2013 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Stevens Chemical Manure Limited	42,810	-
Matahan 306 Limited	8,505	-
Sheppy Services Limited	19,890	-
	<u>69,205</u>	<u>-</u>

### 5. CREDITORS:

#### Amounts falling due within one year

The bank loan is secured on the property owned by the group of Sheppy companies. There is an unlimited cross guarantee in place with the bank between the company and Sheppy Industries Limited and Montash Properties Limited

### 6. CREDITORS:

#### Amounts falling due after more than one year

Creditors include amounts not wholly repayable within 5 years as follows

	2013 £	2012 £
Repayable other than by instalments	<u>284,990</u>	<u>508,570</u>

**SHEPPY LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MAY 2013**

**7. SHARE CAPITAL**

	2013 £	2012 £
<b>Shares classified as capital</b>		
<b>Allotted, called up and fully paid</b>		
48,890 (2012 - 66,537) Ordinary shares of £1 each	48,890	66,537
2 Deferred shares of £1 each	2	2
	<u>48,892</u>	<u>66,539</u>
<b>Shares classified as debt</b>		
<b>Allotted, called up and fully paid</b>		
284,990 (2012 - 508,570) Preference shares of £1 each	<u>284,990</u>	<u>508,570</u>

The preference shares are cumulative and have a fixed dividend rate of 8.52%, which is payable before any dividends are paid to ordinary shareholders. The directors are of the opinion that the cumulative preference shares should be treated as debt and not equity.

The preference shares have voting rights only if the preference dividends are over six months in arrears, or if the resolution to be considered is the winding up or sale of the company, alteration of the objects or varying of the rights of the preference shareholders. On liquidation the preference shareholders rank equally with the ordinary shareholders in relation to the return of capital. However, they have no right to share in the distribution of any assets that remain after all the capital has been returned.

As at 31 May 2013 dividend arrears total £414,784 (2012 - £696,830)

**8. RESERVES**

	Investment property revaluation reserve £
Movement on investment property	50,000
At 31 May 2013	<u>50,000</u>

**9. CONTROLLING PARTY**

During the year under review there was no ultimate controlling party as no one person has more than 50% of the issued share capital.