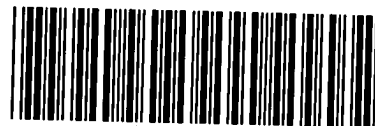


COMPANY REGISTRATION NUMBER: 01719179

J Freeley Limited
Financial Statements
31 May 2017

FRIDAY



A38 *A6LSS5SH* 22/12/2017 #275
COMPANIES HOUSE

ALEXANDER KNIGHT & CO LIMITED

Chartered Accountants & Statutory Auditor
Manchester Business Park
3000 Aviator Way
Manchester
M22 5TG

J Freeley Limited
Financial Statements
Year ended 31 May 2017

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J Freeley Limited

Officers and Professional Advisers

The board of directors

J Freeley
A Freeley
M T Freeley
S P Freeley

Company secretary

A Freeley

Registered office

14 Southern Street
Worsley
Manchester
M28 3QN

Auditor

Alexander Knight & Co Limited
Chartered Accountants & Statutory Auditor
Manchester Business Park
3000 Aviator Way
Manchester
M22 5TG

Bankers

The Royal Bank of Scotland
38 Mosely Street
Manchester
M2 3AZ

Solicitors

Hague Lambert
Artillery House
15 Byron Street
Manchester
M3 4PH

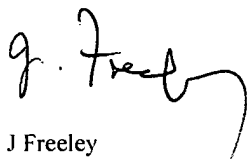
J Freeley Limited
Statement of Financial Position
31 May 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	7	700,444	597,037
Current assets			
Stocks	8	16,550	26,305
Debtors	9	232,155	200,694
Cash at bank and in hand		165,192	103,813
		<u>413,897</u>	<u>330,812</u>
Creditors: amounts falling due within one year	10	<u>465,452</u>	<u>420,180</u>
Net current liabilities		<u>51,555</u>	<u>89,368</u>
Total assets less current liabilities		<u>648,889</u>	<u>507,669</u>
Creditors: amounts falling due after more than one year	11	148,672	153,152
Provisions			
Taxation including deferred tax		<u>122,313</u>	<u>111,754</u>
Net assets		<u>377,904</u>	<u>242,763</u>
Capital and reserves			
Called up share capital		10,000	10,000
Profit and loss account		<u>367,904</u>	<u>232,763</u>
Members funds		<u>377,904</u>	<u>242,763</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 18/12/2017, and are signed on behalf of the board by:



J Freeley
Director

Company registration number: 01719179

The notes on pages 3 to 9 form part of these financial statements.

J Freeley Limited

Notes to the Financial Statements

Year ended 31 May 2017

1. General information

The company is a private company limited by shares, registered in England and Wales (company number 01719179). The address of the registered office is 14 Southern Street, Worsley, Manchester, M28 3QN.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax from the proceeds.

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 June 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 16.

J Freeley Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2017

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Significant judgements

Management do not feel that there are any judgements (apart from those involving estimations) that have been made in the process of applying the entity's accounting policies which have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Estimated useful life and residual value of fixed assets

Depreciation of tangible fixed assets have been based on the estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives and residual values, as evidenced by disposals during current and prior accounting periods.

Impairment of debtors

The company makes an estimate of the recoverable value of trade debtors. When assessing the impairment of trade debtors, management include factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Accrued income and amounts recoverable on contract.

The company accrues income for contracts where work has been undertaken, but not yet invoiced. In calculating the value of income to include, the company considers the level of work certified to date, together with work undertaken subsequent to the latest certification.

Revenue recognition

The turnover shown in the profit and loss account represents the invoice value of goods and services supplied during the year, exclusive of Value Added Tax.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

J Freeley Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2017

3. Accounting policies *(continued)*

Taxation *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Property Improvements	- 10% straight line
Plant & Machinery	- 15 % to 33% reducing balance
Furniture & Fixtures	- 25% reducing balance
Motor Vehicles	- 25% reducing balance

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

J Freeley Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2017

3. Accounting policies *(continued)*

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financial transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled.

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

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

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 payment is due within one year or less. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

J Freeley Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2017

3. Accounting policies *(continued)*

Employee benefits

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	<u>3,100</u>	<u>3,100</u>

5. Particulars of employees

The average number of persons employed by the company during the year, including the directors, amounted to 13 (2016: 13).

6. Profit before taxation

Profit before taxation is stated after charging:

	2017	2016
	£	£
Depreciation of tangible assets	<u>123,650</u>	<u>99,746</u>

7. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 June 2016	–	649,196	–	168,389	817,585
Additions	11,927	106,057	2,576	120,141	240,701
Disposals	–	–	–	(34,500)	(34,500)
At 31 May 2017	<u>11,927</u>	<u>755,253</u>	<u>2,576</u>	<u>254,030</u>	<u>1,023,786</u>
Depreciation					
At 1 June 2016	–	171,685	–	48,863	220,548
Charge for the year	1,193	78,273	552	43,632	123,650
Disposals	–	–	–	(20,856)	(20,856)
At 31 May 2017	<u>1,193</u>	<u>249,958</u>	<u>552</u>	<u>71,639</u>	<u>323,342</u>
Carrying amount					
At 31 May 2017	<u>10,734</u>	<u>505,295</u>	<u>2,024</u>	<u>182,391</u>	<u>700,444</u>
At 31 May 2016	<u>–</u>	<u>477,511</u>	<u>–</u>	<u>119,526</u>	<u>597,037</u>

J Freeley Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2017

8. Stocks

	2017	2016
	£	£
Raw materials	<u>16,550</u>	<u>26,305</u>

9. Debtors

	2017	2016
	£	£
Trade debtors	26,994	128,691
Other debtors	<u>205,161</u>	<u>72,003</u>
	<u>232,155</u>	<u>200,694</u>

10. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	82,060	82,981
Corporation tax	75,034	60,670
Social security and other taxes	89,256	103,073
Other creditors	<u>219,102</u>	<u>173,456</u>
	<u>465,452</u>	<u>420,180</u>

There is a fixed and floating charge over the assets of the company.

Fixed assets with a net book value of £474,052 (2016: £354,474) are pledged in respect of liabilities totalling £302,942 (2016: £257,613).

11. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Other creditors	<u>148,672</u>	<u>153,152</u>

12. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2017	2016
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>240,467</u>	<u>129,301</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>388,430</u>	<u>399,468</u>

J Freeley Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2017

13. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	32,829	32,151
Later than 1 year and not later than 5 years	29,072	59,019
	<u>61,901</u>	<u>91,170</u>

14. Summary audit opinion

The auditor's report for the year dated **20th DECEMBER 2017** was unqualified.

The senior statutory auditor was Murray Patt, FCA, for and on behalf of Alexander Knight & Co Limited.

15. Related party transactions

At the year end, included in other creditors, a balance of £20,923 (2016 - £58,840) was owed to the directors by the company.

During the year there was rent of £24,930 (2016 - £21,798) charged to the company by the pension fund, in which J Freeley and A Freeley are beneficiaries.

During the year there were dividends of £232,000 (2016 - £186,000) paid to the directors.

During the year, personal guarantees totalling £60,000 plus interest from the directors existed in respect of assets acquired under hire purchase.

16. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 June 2015.

No transitional adjustments were required in equity or profit or loss for the year.