

REGISTERED NUMBER: 02113380 (England and Wales)

A. & N. Lewis Limited

**Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 30th September 2016**



**Contents of the Financial Statements
for the Year Ended 30th September 2016**

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A. & N. Lewis Limited
Company Information
for the Year Ended 30th September 2016

| | |
|---------------------------|--|
| Directors: | A R Gentile A Gooch G W M White |
| Registered office: | Unit 8 Ely Bridge Industrial Estate Wroughton Place - Ely Cardiff CF5 4AQ |
| Registered number: | 02113380 (England and Wales) |
| Auditors: | Haines Watts Wales LLP, Statutory Auditors 7 Neptune Court Vanguard Way Cardiff CF24 5PJ |
| Bankers: | Barclays Commercial Bank PO Box 674 3rd Floor Windsor Court Cardiff CF10 3ZL |
| Solicitors: | Greenaway Scott The Loft at The Maltings East Tyndall Street Cardiff CF24 5EZ |

**Strategic Report
for the Year Ended 30th September 2016**

The directors present their strategic report for the year ended 30th September 2016.

Review of business

The company's key financial and other performance indicators during the year were as follows:

| | Unit | 2016 | 2015 |
|---------------------|------|------------|------------|
| Turnover | £ | 12,462,633 | 13,360,875 |
| Gross profit margin | % | 17 | 19 |
| Profit before tax | £ | 742,994 | 1,384,791 |

Principal risks and uncertainties

The business' principal financial instruments comprise bank balances, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a positive bank balance for working capital and the use of a bank loan for longer term projects. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans in the current year comprise loans from financial institutions. The interest rate and monthly repayments on the loans from financial institutions are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments.

On behalf of the board:



.....
A R Gentile - Director

Date: 6th March 2017

**Report of the Directors
for the Year Ended 30th September 2016**

The directors present their report with the financial statements of the company for the year ended 30th September 2016.

Principal activity

The principal activity of the company is that of building contractors, specialist decorators and property developers.

Dividends

No interim dividend was paid during the year. The directors recommend a final dividend of £6.75 per share.

The total distribution of dividends for the year ended 30th September 2016 will be £270,000.

Directors

The directors who have held office during the period from 1st October 2015 to the date of this report are as follows:

N Lewis - resigned 1st March 2016
A R Lewis - resigned 1st March 2016
P J Lewis - resigned 1st March 2016
J Payne - resigned 1st March 2016
A R Gentile - appointed 1st March 2016
A Gooch - appointed 1st March 2016
G W M White - appointed 1st March 2016

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.

**Report of the Directors
for the Year Ended 30th September 2016**

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board:



.....
A R Gentile - Director

Date: 6th March 2017

**Report of the Independent Auditors to the Members of
A. & N. Lewis Limited**

We have audited the financial statements of A. & N. Lewis Limited for the year ended 30th September 2016 on pages seven to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30th September 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006


In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
A.& N. Lewis Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Stephen Lucey (Senior Statutory Auditor)
for and on behalf of Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Date: 31 March 2017

**Statement of Comprehensive Income
for the Year Ended 30th September 2016**

| | Notes | 2016 £ | 2015 £ |
|--|--------------|-------------------|-------------------|
| Turnover | 3 | 12,462,633 | 13,360,875 |
| Cost of sales | | (10,375,764) | (10,798,665) |
| Gross profit | | 2,086,869 | 2,562,210 |
| Administrative expenses | | (1,331,127) | (1,182,405) |
| | | 755,742 | 1,379,805 |
| Other operating income | | 3,000 | 19,740 |
| Operating profit | | 758,742 | 1,399,545 |
| Interest receivable and similar income | 6 | 1,014 | 518 |
| | | 759,756 | 1,400,063 |
| Interest payable and similar expenses | 7 | (16,762) | (15,272) |
| Profit before taxation | 8 | 742,994 | 1,384,791 |
| Tax on profit | 9 | (139,820) | (288,056) |
| Profit for the financial year | | 603,174 | 1,096,735 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 603,174 | 1,096,735 |

The notes form part of these financial statements

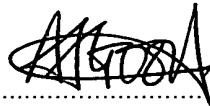
Balance Sheet
30th September 2016

| | Notes | 2016 £ | 2015 £ |
|--|-------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 239,498 | 382,476 |
| Current assets | | | |
| Stocks | 12 | 5,250 | 5,250 |
| Debtors | 13 | 2,861,211 | 1,956,788 |
| Cash at bank and in hand | | 1,426,605 | 1,364,362 |
| | | <u>4,293,066</u> | <u>3,326,400</u> |
| Creditors | | | |
| Amounts falling due within one year | 14 | (2,533,744) | (1,980,347) |
| Net current assets | | <u>1,759,322</u> | <u>1,346,053</u> |
| Total assets less current liabilities | | <u>1,998,820</u> | <u>1,728,529</u> |
| Creditors | | | |
| Amounts falling due after more than one year | 15 | (116,290) | (179,173) |
| Net assets | | <u><u>1,882,530</u></u> | <u><u>1,549,356</u></u> |
| Capital and reserves | | | |
| Called up share capital | 19 | 40,000 | 40,000 |
| Retained earnings | 20 | 1,842,530 | 1,509,356 |
| Shareholders' funds | | <u><u>1,882,530</u></u> | <u><u>1,549,356</u></u> |

The financial statements were approved by the Board of Directors on 6th March 2017 and were signed on its behalf by:



.....
A R Gentile - Director



.....
A Gooch - Director



.....
G W M White - Director

The notes form part of these financial statements

**Statement of Changes in Equity
for the Year Ended 30th September 2016**

| | Called up share capital £ | Retained earnings £ | Total equity £ |
|---------------------------------------|--|------------------------------------|-------------------------------|
| Balance at 1st October 2014 | 40,000 | 1,068,032 | 1,108,032 |
| Changes in equity | | | |
| Dividends | - | (655,411) | (655,411) |
| Total comprehensive income | - | 1,096,735 | 1,096,735 |
| Balance at 30th September 2015 | <u>40,000</u> | <u>1,509,356</u> | <u>1,549,356</u> |
| Changes in equity | | | |
| Dividends | - | (270,000) | (270,000) |
| Total comprehensive income | - | 603,174 | 603,174 |
| Balance at 30th September 2016 | <u>40,000</u> | <u>1,842,530</u> | <u>1,882,530</u> |

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 30th September 2016**

1. Statutory information

A. & N. Lewis Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These are the company's first set of financial statements prepared in accordance with FRS 102. Upon adoption of FRS 102 there were no transitional adjustments, as shown on pages 18 to 20.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

These disclosures are included within the financial statements of AG Newco Ltd which have been filed at Companies House.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of building and decorating services to customers.

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 or, if held under a finance lease, over the lease term, whichever is the shorter.

| | |
|---------------------|---------------------------|
| Plant and machinery | - 20% on reducing balance |
| Motor vehicles | - 25% on cost |
| Computer equipment | - 33% on reducing balance |

Stock and long-term contracts

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Profit on long-term contracts is recognised as the work is carried out where the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out in the year, by recording turnover and related costs (as defined in stocks above) as contract activity progresses. Turnover is calculated as the proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on contracts in the year in which they are foreseen.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS 102.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences arise

**Notes to the Financial Statements - continued
for the Year Ended 30th September 2016**

2. Accounting policies - continued

Hire purchase and leasing commitments

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods on a straight line basis over the length of the contract.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Debtors and creditors due within 1 year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

3. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

| | 2016 | 2015 |
|--------------------|-------------------|-------------------|
| | £ | £ |
| Work done | 12,406,002 | 13,348,702 |
| Other sales income | 56,631 | 12,173 |
| | <u>12,462,633</u> | <u>13,360,875</u> |

4. Employees and directors

| | 2016 | 2015 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,519,391 | 2,237,427 |
| Social security costs | 263,396 | 234,665 |
| Other pension costs | 16,482 | 17,037 |
| | <u>2,799,269</u> | <u>2,489,129</u> |

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

| | 2016 | 2015 |
|----------------------------|-------------|-------------|
| Directors | 3 | 4 |
| Administration and support | 17 | 18 |
| Site Staff | 67 | 64 |
| | <u>87</u> | <u>86</u> |

**Notes to the Financial Statements - continued
for the Year Ended 30th September 2016**

5. Directors' emoluments

| | 2016 | 2015 |
|--|-------------------|-------------------|
| | £ | £ |
| Directors' remuneration | 256,767 | 58,214 |
| Directors' pension contributions to money purchase schemes | 642 | 1,702 |
| | <u> </u> | <u> </u> |

The number of directors to whom retirement benefits were accruing was as follows:

| | | |
|------------------------|----------|----------|
| Money purchase schemes | <u>3</u> | <u>4</u> |
|------------------------|----------|----------|

Information regarding the highest paid director for the year ended 30th September 2016 is as follows:

| | 2016 |
|----------------|---------------|
| | £ |
| Emoluments etc | <u>66,577</u> |

6. Interest receivable and similar income

| | 2016 | 2015 |
|--------------------------|--------------|-------------|
| | £ | £ |
| Deposit account interest | <u>1,014</u> | <u>518</u> |

7. Interest payable and similar expenses

| | 2016 | 2015 |
|---------------|---------------|---------------|
| | £ | £ |
| Bank interest | 4,458 | 4,868 |
| Hire purchase | 12,304 | 10,404 |
| | <u>16,762</u> | <u>15,272</u> |

8. Profit before taxation

The profit is stated after charging/(crediting):

| | 2016 | 2015 |
|--|-------------------|-------------------|
| | £ | £ |
| Hire of plant and machinery | 550,709 | 642,495 |
| Depreciation - owned assets | 1,295 | 1,771 |
| Depreciation - assets on hire purchase contracts | 82,753 | 100,681 |
| Profit on disposal of fixed assets | (11,801) | (3,205) |
| Auditors' remuneration | 6,632 | 7,467 |
| Auditors' remuneration for non audit work | 5,000 | 15,000 |
| | <u> </u> | <u> </u> |

9. Taxation

Analysis of the tax charge

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

| | 2016 | 2015 |
|--------------------|----------------|----------------|
| | £ | £ |
| Current tax: | | |
| UK corporation tax | <u>139,820</u> | <u>288,056</u> |
| Tax on profit | <u>139,820</u> | <u>288,056</u> |

Notes to the Financial Statements - continued
for the Year Ended 30th September 2016

9. Taxation - continued**Reconciliation of total tax charge included in profit and loss**

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

| | 2016 £ | 2015 £ |
|---|-------------------------|-------------------------|
| Profit before tax | <u>742,994</u> | <u>1,384,791</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%) | 148,599 | 290,806 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 5,452 | 5,898 |
| Capital allowances in excess of depreciation | - | (809) |
| Depreciation in excess of capital allowances | 7,838 | - |
| Tax rate change difference | - | (7,049) |
| Profit on disposal of assets | (2,360) | (673) |
| Marginal relief | - | (117) |
| Group relief | (19,709) | - |
| Total tax charge | <u>139,820</u> | <u>288,056</u> |

10. Dividends

| | 2016 £ | 2015 £ |
|----------------------------|-------------------------|-------------------------|
| Ordinary shares of £1 each | | |
| Final | <u>270,000</u> | <u>655,411</u> |

11. Tangible fixed assets

| | Freehold property £ | Plant and machinery £ | Motor vehicles £ | Computer equipment £ | Totals £ |
|------------------------|--------------------------------------|--|-----------------------------------|---------------------------------------|---------------------------|
| Cost | | | | | |
| At 1st October 2015 | 139,375 | 49,404 | 483,273 | 24,315 | 696,367 |
| Additions | - | - | 18,501 | 2,067 | 20,568 |
| Disposals | - | - | (213,839) | - | (213,839) |
| At 30th September 2016 | <u>139,375</u> | <u>49,404</u> | <u>287,935</u> | <u>26,382</u> | <u>503,096</u> |
| Depreciation | | | | | |
| At 1st October 2015 | - | 49,404 | 243,767 | 20,720 | 313,891 |
| Charge for year | - | - | 82,753 | 1,295 | 84,048 |
| Eliminated on disposal | - | - | (134,341) | - | (134,341) |
| At 30th September 2016 | <u>-</u> | <u>49,404</u> | <u>192,179</u> | <u>22,015</u> | <u>263,598</u> |
| Net book value | | | | | |
| At 30th September 2016 | <u>139,375</u> | <u>-</u> | <u>95,756</u> | <u>4,367</u> | <u>239,498</u> |
| At 30th September 2015 | <u>139,375</u> | <u>-</u> | <u>239,506</u> | <u>3,595</u> | <u>382,476</u> |

Included in the cost of freehold property is freehold land of £139,377 (2015: £139,377) which is not depreciated

Notes to the Financial Statements - continued
for the Year Ended 30th September 2016

11. **Tangible fixed assets - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

| | Motor vehicles £ |
|------------------------|---------------------------------|
| Cost | |
| At 1st October 2015 | 390,126 |
| Additions | 18,500 |
| Disposals | (167,542) |
| Transfer to ownership | (67,325) |
| | <hr/> |
| At 30th September 2016 | 173,759 |
| Depreciation | |
| At 1st October 2015 | 148,359 |
| Charge for year | 82,753 |
| Eliminated on disposal | (88,044) |
| Transfer to ownership | (61,597) |
| | <hr/> |
| At 30th September 2016 | 81,471 |
| Net book value | |
| At 30th September 2016 | 92,288 |
| | <hr/> |
| At 30th September 2015 | 241,767 |
| | <hr/> |

12. **Stocks**

| | 2016 £ | 2015 £ |
|--------|-------------------|-------------------|
| Stocks | 5,250 | 5,250 |
| | <hr/> | <hr/> |

13. **Debtors: amounts falling due within one year**

| | 2016 £ | 2015 £ |
|------------------------------------|-------------------|-------------------|
| Trade debtors | 1,360,105 | 1,225,077 |
| Amounts owed by group undertakings | 1,226,544 | - |
| Amounts recoverable on contract | 265,246 | 729,938 |
| Prepayments | 9,316 | 1,773 |
| | <hr/> | <hr/> |
| | 2,861,211 | 1,956,788 |
| | <hr/> | <hr/> |

**Notes to the Financial Statements - continued
for the Year Ended 30th September 2016**

14. Creditors: amounts falling due within one year

| | 2016 | 2015 |
|---|------------------|------------------|
| | £ | £ |
| Bank loans and overdrafts (see note 16) | 11,683 | 11,272 |
| Hire purchase contracts (see note 17) | 44,227 | 85,695 |
| Payments on account | 147,341 | 158,500 |
| Trade creditors | 1,787,123 | 1,063,136 |
| Tax | 139,820 | 288,056 |
| Social security and other taxes | 65,204 | 57,595 |
| VAT | 298,767 | 291,032 |
| Pension creditor | 4,142 | 2,244 |
| Accrued expenses | 35,437 | 22,817 |
| | <u>2,533,744</u> | <u>1,980,347</u> |

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

| | 2016 | 2015 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans (see note 16) | 92,766 | 104,862 |
| Hire purchase contracts (see note 17) | 23,524 | 74,311 |
| | <u>116,290</u> | <u>179,173</u> |

16. Loans

An analysis of the maturity of loans is given below:

| | 2016 | 2015 |
|---|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank loans | <u>11,683</u> | <u>11,272</u> |
| Amounts falling due between one and two years: | | |
| Bank loans - 1-2 years | <u>11,683</u> | <u>11,272</u> |
| Amounts falling due between two and five years: | | |
| Bank loans - 2-5 years | <u>81,083</u> | <u>93,590</u> |

17. Leasing agreements

Minimum lease payments fall due as follows:

| | Hire purchase contracts | |
|----------------------------|--------------------------------|----------------|
| | 2016 | 2015 |
| | £ | £ |
| Net obligations repayable: | | |
| Within one year | 44,227 | 85,695 |
| Between one and five years | 23,524 | 74,311 |
| | <u>67,751</u> | <u>160,006</u> |

Notes to the Financial Statements - continued
for the Year Ended 30th September 2016

17. Leasing agreements - continued

| | Non-cancellable operating leases | |
|----------------------------|-------------------------------------|---------------|
| | 2016 | 2015 |
| | £ | £ |
| Within one year | 13,146 | 13,146 |
| Between one and five years | - | 13,146 |
| | <u>13,146</u> | <u>26,292</u> |

18. Secured debts

The following secured debts are included within creditors:

| | 2016 | 2015 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Bank loans | 104,449 | 116,134 |
| Hire purchase contracts | 67,751 | 160,006 |
| | <u>172,200</u> | <u>276,140</u> |

Security is held by the bank over the loan account in the form of:

a) charge over Unit 8 Old Brewery Site, Ely Bridge Industrial Estate, Ely, Cardiff, South Glamorgan on the bank's standard form dated 10/06/1996; and

b) debenture on the bank's standard form dated 07/09/1987

Security is held by the hire purchase providers over the related assets held on the fixed asset register

19. Called up share capital

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2016 | 2015 |
|---------|----------|-------------------|---------------|---------------|
| | | £1 | £ | £ |
| 40,000 | Ordinary | | <u>40,000</u> | <u>40,000</u> |

20. Reserves

| | Retained earnings £ |
|------------------------|---------------------------|
| At 1st October 2015 | 1,509,356 |
| Profit for the year | 603,174 |
| Dividends | (270,000) |
| At 30th September 2016 | <u>1,842,530</u> |

**Notes to the Financial Statements - continued
for the Year Ended 30th September 2016**

21. Pension commitments

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £16,482 (2015: £17,037)

22. Ultimate parent company

AG Newco Ltd is regarded by the directors as being the company's ultimate parent company.

23. Contingent liabilities

The company has guaranteed monies due to Finance Wales Investments Limited by AG Newco Limited of £1,962,890

24. Related party disclosures

Entities with control, joint control or significant influence over the entity

| | 2016 | 2015 |
|-------------------------------|-------------------|-------------------|
| | £ | £ |
| Sales | 117,194 | 30,000 |
| Amount due from related party | - | 10,000 |
| | <u> </u> | <u> </u> |

Reconciliation of Equity
1st October 2014
(Date of Transition to FRS 102)

| | Notes | UK GAAP £ | Effect of transition to FRS 102 £ | FRS 102 £ |
|--|-------|-----------------|--|--------------|
| Fixed assets | | | | |
| Tangible assets | | 363,968 | - | 363,968 |
| Current assets | | | | |
| Stocks | | 946,671 | - | 946,671 |
| Debtors | | 816,006 | - | 816,006 |
| Cash at bank and in hand | | 932,193 | - | 932,193 |
| | | 2,694,870 | - | 2,694,870 |
| Creditors | | | | |
| Amounts falling due within one year | | (1,753,392) | - | (1,753,392) |
| Net current assets | | 941,478 | - | 941,478 |
| Total assets less current liabilities | | 1,305,446 | - | 1,305,446 |
| Creditors | | | | |
| Amounts falling due after more than one year | | (197,414) | - | (197,414) |
| Net assets | | 1,108,032 | - | 1,108,032 |
| Capital and reserves | | | | |
| Called up share capital | | 40,000 | - | 40,000 |
| Retained earnings | | 1,068,032 | - | 1,068,032 |
| Shareholders' funds | | 1,108,032 | - | 1,108,032 |

The notes form part of these financial statements

Reconciliation of Equity - continued
30th September 2015

| | Notes | UK GAAP £ | Effect of transition to FRS 102 £ | FRS 102 £ |
|--|-------|-----------------|--|--------------|
| Fixed assets | | | | |
| Tangible assets | | 382,476 | - | 382,476 |
| Current assets | | | | |
| Stocks | | 5,250 | - | 5,250 |
| Debtors | | 1,956,788 | - | 1,956,788 |
| Cash at bank and in hand | | 1,364,362 | - | 1,364,362 |
| | | 3,326,400 | - | 3,326,400 |
| Creditors | | | | |
| Amounts falling due within one year | | (1,980,347) | - | (1,980,347) |
| Net current assets | | 1,346,053 | - | 1,346,053 |
| Total assets less current liabilities | | 1,728,529 | - | 1,728,529 |
| Creditors | | | | |
| Amounts falling due after more than one year | | (179,173) | - | (179,173) |
| Net assets | | 1,549,356 | - | 1,549,356 |
| Capital and reserves | | | | |
| Called up share capital | | 40,000 | - | 40,000 |
| Retained earnings | | 1,509,356 | - | 1,509,356 |
| Shareholders' funds | | 1,549,356 | - | 1,549,356 |

**Reconciliation of Profit
for the Year Ended 30th September 2015**

| | UK GAAP £ | Effect of transition to FRS 102 £ | FRS 102 £ |
|--|--------------------------|--|----------------------|
| Turnover | 13,360,875 | - | 13,360,875 |
| Cost of sales | (10,798,665) | - | (10,798,665) |
| Gross profit | 2,562,210 | - | 2,562,210 |
| Administrative expenses | (1,182,405) | - | (1,182,405) |
| Other operating income | 19,740 | - | 19,740 |
| Operating profit | 1,399,545 | - | 1,399,545 |
| Interest receivable and similar income | 518 | - | 518 |
| Interest payable and similar expenses | (15,272) | - | (15,272) |
| Profit before taxation | 1,384,791 | - | 1,384,791 |
| Tax on profit | (288,056) | - | (288,056) |
| Profit for the financial year | 1,096,735 | - | 1,096,735 |