

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

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COMPANIES HOUSE

BEERS TIMBER & BUILDING SUPPLIES LIMITED

COMPANY INFORMATION

Directors	Michael John Thomas Beer Alan James Beer Paul Stephen Conboy Simon Thomas Geering
Registered number	04324716
Registered office	1 Boundary Street Liverpool L5 9UD
Independent auditors	Langtons Professional Services Limited Chartered Accountants & Statutory Auditor The Plaza 100 Old Hall Street Liverpool L3 9QJ

BEERS TIMBER & BUILDING SUPPLIES LIMITED

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BEERS TIMBER & BUILDING SUPPLIES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

Business review

The results for the year and financial position of the company are shown in the annexed financial statements.

Annual turnover has increased by £197,528 in 2016 which represents a 1.2% increase on the previous year.

The company achieved a gross profit margin of 34.3% compared to that of 34.9% in 2015.

Principal risks and uncertainties

Principal risks to the company continue to be uncertainty within the building industry but despite this uncertainty the company anticipates further growth in turnover and profitability in the future.

Financial key performance indicators

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using Key Performance Indicators is not necessary for an understanding of the development, performance or position of the business.

This report was approved by the board on 5 September 2017 and signed on its behalf.



M J T Beer
Director

BEERS TIMBER & BUILDING SUPPLIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report 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 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'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

Results and dividends

The profit for the year, after taxation, amounted to £373,512 (2015 - £445,179).

The directors do not recommend that a dividend be paid for the year ended 31 December 2015.

Directors

The directors who served during the year were:

Michael John Thomas Beer
Alan James Beer
Paul Stephen Conboy
Simon Thomas Geering

Future developments

The directors are satisfied with the result for the year and are positive for the future, based on the ongoing improvement initiatives within the business.

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Langtons Professional Services Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 5 September 2017 and signed on its behalf.



M J T Beer
Director

BEERS TIMBER & BUILDING SUPPLIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BEERS TIMBER & BUILDING SUPPLIES LIMITED

We have audited the financial statements of Beers Timber & Building Supplies Limited for the year ended 31 December 2016, set out on pages 6 to 25. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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 an Auditors' report 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 Directors' responsibilities statement on page 2, 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 Financial Reporting Council'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 Directors' report 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 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BEERS TIMBER & BUILDING
SUPPLIES LIMITED (CONTINUED)**

Opinion on other matter prescribed by the Companies Act 2006

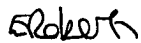
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

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.



Mr Eifion Roberts (Senior statutory auditor)

for and on behalf of

Langtons Professional Services Limited

Chartered Accountants
Statutory Auditor

The Plaza
100 Old Hall Street
Liverpool
L3 9QJ

5 September 2017

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
Turnover	4	16,389,274	16,191,741
Cost of sales		(10,765,027)	(10,534,443)
Gross profit		5,624,247	5,657,298
Administrative expenses		(5,099,746)	(5,017,195)
Operating profit	5	524,501	640,103
Interest receivable and similar income	9	26	-
Interest payable and similar expenses	10	(84,614)	(121,197)
Profit before tax		439,913	518,906
Tax on profit	11	(66,401)	(73,727)
Profit for the year		373,512	445,179

There were no recognised gains and losses for 2016 or 2015 other than those included in the profit and loss account.

The notes on pages 9 to 25 form part of these financial statements.

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
Profit for the financial year		373,512	445,179

There were no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 9 to 25 form part of these financial statements.

BEERS TIMBER & BUILDING SUPPLIES LIMITED
REGISTERED NUMBER: 04324716

BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	12	48,000	66,000
Tangible assets	13	2,190,700	1,917,071
Investments	14	2,610	2,610
		<u>2,241,310</u>	<u>1,985,681</u>
Current assets			
Stocks	15	2,154,364	1,843,996
Debtors	16	4,227,449	4,165,928
Cash at bank and in hand	17	52,330	19,397
		<u>6,434,143</u>	<u>6,029,321</u>
Creditors: amounts falling due within one year	18	(3,021,101)	(3,018,064)
Net current assets		<u>3,413,042</u>	<u>3,011,257</u>
Total assets less current liabilities		<u>5,654,352</u>	<u>4,996,938</u>
Creditors: amounts falling due after more than one year	19	(1,789,796)	(1,516,988)
Provisions for liabilities			
Deferred tax	23	(265,565)	(254,471)
		<u>(265,565)</u>	<u>(254,471)</u>
Net assets		<u><u>3,598,991</u></u>	<u><u>3,225,479</u></u>
Capital and reserves			
Called up share capital	24	5,203	5,203
Share premium account	26	519,547	519,547
Capital redemption reserve	26	2,613	2,613
Profit and loss account	26	3,071,628	2,698,116
		<u><u>3,598,991</u></u>	<u><u>3,225,479</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 September 2017.



M J T Beer

Director

The notes on pages 9 to 25 form part of these financial statements.

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2016	5,203	519,547	2,613	2,698,116	3,225,479
Comprehensive income for the year					
Profit for the year	-	-	-	373,512	373,512
At 31 December 2016	5,203	519,547	2,613	3,071,628	3,598,991

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2015	5,203	519,547	2,613	2,252,937	2,780,300
Comprehensive income for the year					
Profit for the year	-	-	-	445,179	445,179
At 31 December 2015	5,203	519,547	2,613	2,698,116	3,225,479

The notes on pages 9 to 25 form part of these financial statements.

BEERS TIMBER & BUILDING SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Beers Timber & Building Supplies Limited is a private limited company, limited by shares, incorporated in England and Wales. Its registered office is 1 Boundary Street, Liverpool, Merseyside, L5 9UD. The company number is 04324716.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

BEERS TIMBER & BUILDING SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and loss account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	- 10 years
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2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as below.

Depreciation is provided on the following basis:

Leasehold property	- Over a 20 year lease period
Improvements to property	- 10% straight line
Plant and machinery	- Over 15 years
Motor vehicles	- Over 15 years
Fixtures and fittings	- 13.75% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

BEERS TIMBER & BUILDING SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

Rentals paid 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.9 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Finance costs

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.14 Borrowing costs

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

BEERS TIMBER & BUILDING SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The directors have made judgements regarding the depreciation of fixed assets, provisions for obsolete and damaged stock and the provision of bad and doubtful debts.

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Timber and general builders merchants	16,389,274	16,191,741
	<u>16,389,274</u>	<u>16,191,741</u>

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	154,668	307,535
Amortisation of intangible assets, including goodwill	18,000	18,000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	12,520	11,000
Defined contribution pension cost	33,914	44,290
	<u>33,914</u>	<u>44,290</u>

6. Auditors' remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	12,520	11,000
	<u>12,520</u>	<u>11,000</u>

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	2,366,812	2,205,381
Social security costs	204,664	185,866
Cost of defined contribution scheme	33,914	44,290
	<u>2,605,390</u>	<u>2,435,537</u>

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

	2016 No.	2015 No.
Sales & Administration	<u>108</u>	<u>107</u>

8. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	196,176	140,753
	<u>196,176</u>	<u>140,753</u>

9. Interest receivable

	2016 £	2015 £
Other interest receivable	26	-
	<u>26</u>	<u>-</u>

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

10. Interest payable and similar charges

	2016 £	2015 £
Bank interest payable	49,035	75,519
Finance leases and hire purchase contracts	35,579	45,678
	<u>84,614</u>	<u>121,197</u>

11. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	55,307	83,434
Total current tax	<u>55,307</u>	<u>83,434</u>
Deferred tax		
Origination and reversal of timing differences	11,094	(9,707)
Total deferred tax	<u>11,094</u>	<u>(9,707)</u>
Taxation on profit on ordinary activities	<u>66,401</u>	<u>73,727</u>

BEERS TIMBER & BUILDING SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2015 - *higher than*) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	439,913	518,906
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	87,983	105,078
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	608	553
Capital allowances for year in excess of depreciation	(33,284)	(10,814)
Short term timing difference leading to an increase (decrease) in taxation	11,094	(9,707)
Group relief	-	(11,383)
Total tax charge/(credit) for the year	66,401	73,727

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

BEERS TIMBER & BUILDING SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

12. Intangible assets

	Goodwill £
Cost	
At 1 January 2016	180,000
At 31 December 2016	<u>180,000</u>
Amortisation	
At 1 January 2016	114,000
Charge for the year	18,000
At 31 December 2016	<u>132,000</u>
Net book value	
At 31 December 2016	<u><u>48,000</u></u>
At 31 December 2015	<u><u>66,000</u></u>

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

13. Tangible fixed assets

	Land & Buildings £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or valuation					
At 1 January 2016	387,048	1,234,888	1,343,777	4,175	2,969,888
Additions	-	137,109	342,125	-	479,234
Disposals	-	(53,600)	(72,942)	-	(126,542)
At 31 December 2016	387,048	1,318,397	1,612,960	4,175	3,322,580
Depreciation					
At 1 January 2016	25,599	465,812	558,790	2,616	1,052,817
Charge for the year on owned assets	30,424	51,393	16,089	214	98,120
Charge for the year on financed assets	-	7,746	48,802	-	56,548
Disposals	-	(35,319)	(40,288)	-	(75,607)
At 31 December 2016	56,023	489,632	583,393	2,830	1,131,878
Net book value					
At 31 December 2016	331,025	828,765	1,029,567	1,345	2,190,702
At 31 December 2015	361,449	769,077	784,986	1,559	1,917,071

The net book value of land and buildings may be further analysed as follows:

	2016 £	2015 £
Leasehold	331,025	361,449
	<u>331,025</u>	<u>361,449</u>

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

13. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016	2015
	£	£
Plant and machinery	361,495	281,509
Motor vehicles	796,054	502,731
	<u>1,157,549</u>	<u>784,240</u>

14. Fixed asset investments

	Trade investments £
At 1 January 2016	2,610
At 31 December 2016	<u>2,610</u>
At 31 December 2015	<u>2,610</u>

15. Stocks

	2016	2015
	£	£
Finished goods and goods for resale	2,154,364	1,843,996
	<u>2,154,364</u>	<u>1,843,996</u>

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

16. Debtors

	2016 £	2015 £
Due after more than one year		
Amounts owed by group undertakings	2,028,608	2,086,080
	<u>2,028,608</u>	<u>2,086,080</u>
Due within one year		
Trade debtors	1,350,491	1,312,327
Other debtors	744,302	659,985
Prepayments and accrued income	104,048	107,536
	<u>4,227,449</u>	<u>4,165,928</u>

17. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	52,330	19,397
Less: bank overdrafts	-	(54,345)
	<u>52,330</u>	<u>(34,948)</u>

18. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	-	54,345
Bank loans	80,584	-
Trade creditors	1,446,184	1,265,737
Corporation tax	55,307	83,434
Other taxation and social security	204,615	154,177
Obligations under finance lease and hire purchase contracts	286,030	264,739
Other creditors	833,819	1,084,209
Accruals and deferred income	114,562	111,423
	<u>3,021,101</u>	<u>3,018,064</u>

Bank loans and overdrafts are secured on the assets of the company.
Other creditors include secured creditors amounting to £346,830 (2015: £754,668).

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

19. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	1,270,336	-
Net obligations under finance leases and hire purchase contracts	519,460	421,378
Other creditors	-	1,095,610
	<u>1,789,796</u>	<u>1,516,988</u>

Secured loans

Net obligations under finance leases and hire purchase contracts are secured on the assets concerned.

20. Loans

Analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year		
Bank loans	80,584	-
Amounts falling due 1-2 years		
Bank loans	82,525	-
Amounts falling due 2-5 years		
Bank loans	259,698	-
Amounts falling due after more than 5 years		
Bank loans	928,113	-
	<u>1,350,920</u>	<u>-</u>

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	286,030	297,150
Between 1-2 years	217,950	217,305
Between 2-5 years	301,510	171,662
	<u>805,490</u>	<u>686,117</u>

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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22. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	52,330	19,397
Financial assets that are debt instruments measured at amortised cost	4,123,400	4,058,391
	<u>4,175,730</u>	<u>4,077,788</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(3,745,484)	(3,611,324)
	<u>(3,745,484)</u>	<u>(3,611,324)</u>

Financial assets measured at fair value through profit or loss comprise of cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors, bank overdrafts, bank loans and accruals.

23. Deferred taxation

	2016 £
At beginning of year	(254,471)
Charged to profit or loss	(11,094)
At end of year	<u>(265,565)</u>

The provision for deferred taxation is made up as follows:

	2016 £
Accelerated capital allowances	(265,565)
	<u>(265,565)</u>

BEERS TIMBER & BUILDING SUPPLIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

24. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
5,203 Ordinary shares of £1 each	5,203	5,203

25. Ultimate parent undertaking and ultimate controlling party

The ultimate controlling parties are M J T Beer and A J Beer by virtue of their shareholding in the ultimate parent company, M & A Beer Holdings Limited.

26. Reserves

Profit and loss account

Includes all current and prior period retained profits and losses.

27. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £33,914 (2015: £44,290). Contributions totalling £4,545 (2015: £4,434) were payable to the fund at the balance sheet date and are included in creditors.

28. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016	2015
	£	£
Not later than 1 year	22,000	22,000
Later than 1 year and not later than 5 years	61,000	61,000
Later than 5 years	123,100	123,100
	206,100	206,100

BEERS TIMBER & BUILDING SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

29. Related party transactions

Within the accounts are the following related party balances included in debtors/(creditors):

	2016 £	2015 £
A J Beer & Company Limited	-	(1,095,610)
M & A Beer Holdings Limited	2,028,608	2,086,080
Evans Bellhouse Limited	(399,701)	(211,331)
MAKS Partnership	-	(92,866)
	-	-
	<u>1,628,907</u>	<u>686,273</u>

During the year the company paid loan interest of £9,518 (2015: £41,896) to A J Beer & Company Limited.

A J Beer and M J T Beer are both directors and shareholders of the above companies. A J Beer and M J T Beer are also beneficiaries of A J Beer Pension Fund and are partners in the MAKS Partnership.

Included in other debtors are the following related party balances for companies that A J Beer is also a director and shareholder of:

Carpenter Projects Limited	£293,085	(2015: £310,886)
Liverpool Edge Limited	£NIL	(2015: £231)
Urban Sleep Limited	£44,353	(2015: £28,758)

Included in other debtors are the following related party balances for companies that M J T Beer is also a director and shareholder of:

Punchbowl Developments Ltd	£4,297	(2015: £NIL)
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All transactions were conducted at an arms length basis.

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.