

A and G Setherton Limited

Annual Report and Unaudited Financial Statements
for the year ended 31 March 2019

A AND G SETHERTON LIMITED

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A AND G SETHERTON LIMITED

(Registration number: 04350824)

Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	12,311	15,209
Current assets			
Stocks	<u>5</u>	6,250	6,250
Debtors	<u>6</u>	86,310	79,869
Cash at bank and in hand		<u>23,393</u>	<u>27,761</u>
		115,953	113,880
Creditors: Amounts falling due within one year	<u>7</u>	<u>(50,786)</u>	<u>(66,350)</u>
Net current assets		<u>65,167</u>	<u>47,530</u>
Total assets less current liabilities		77,478	62,739
Provisions for liabilities		<u>(2,076)</u>	<u>(2,569)</u>
Net assets		<u>75,402</u>	<u>60,170</u>
Capital and reserves			
Called up share capital	<u>8</u>	2	2
Profit and loss account		<u>75,400</u>	<u>60,168</u>
Total equity		<u>75,402</u>	<u>60,170</u>

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

A AND G SETHERTON LIMITED

(Registration number: 04350824)

Balance Sheet as at 31 March 2019

For the financial year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised for issue by the Board on 28 November 2019 and signed on its behalf by:

Mr GM Setherton
Director

Mr AJ Setherton
Director

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

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A AND G SETHERTON LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2019

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Park View
Spire Lake
Bishops Nympton
SOUTH MOLTON
Devon
EX36 4NY

These financial statements were authorised for issue by the Board on 28 November 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

All amounts are in £'s unless otherwise stated.

A AND G SETHERTON LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2019

Judgements

There are no judgements which management have made in the process of applying the accounting policies.

Key sources of estimation uncertainty

There are no key sources of estimation uncertainty that have a significant risk of causing a material adjustment to assets and liabilities to be disclosed..

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

Revenue from long term contracts is recognised by stage of completion. Stage of completion is measured by reference to costs incurred to date as a percentage of total estimated costs for each contract. Where the contract outcome cannot be measured reliably, revenue is measured only to the extent of the expenses recognised that are recoverable. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

A AND G SETHERTON LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2019

Asset class	Depreciation method and rate
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance
Office equipment	33% reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line over 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at the undiscounted amount of the cash expected to be received (i.e. net of impairment). A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debts.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

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Notes to the Financial Statements for the Year Ended 31 March 2019

Trade creditors

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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at the undiscounted amount of the cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at transaction price, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due.

A AND G SETHERTON LIMITED

Notes to the Financial Statements for the Year Ended 31 March 2019

Financial instruments

Classification

Basic financial assets include trade and other debtors, cash and bank balances. Basic financial liabilities include trade and other payables, bank loans, and preference shares that are classified as debt.

Recognition and measurement

Basic financial assets are initially recognised at transaction price, unless the arrangement constitutes a financing 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. Other debtors are classified as current assets if payment is due within one year or less and are initially recorded at transaction price and subsequently measured at the undiscounted amount of the cash expected to be received. Trade debtors are referred to above.

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other creditors are classified as current liabilities if payment is due within one year or less and are recognised initially at transaction price and subsequently measured at the undiscounted amount of the cash expected to be paid. If not, they are presented as non-current liabilities and are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Trade creditors and leases are referred to above.

Impairment

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 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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 8 (2018 - 8).

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Notes to the Financial Statements for the Year Ended 31 March 2019

4 Tangible assets

	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2018	24,888	10,614	22,360	57,862
Additions	889	-	-	889
Disposals	(355)	(6,287)	-	(6,642)
At 31 March 2019	25,422	4,327	22,360	52,109
Depreciation				
At 1 April 2018	19,975	7,702	14,976	42,653
Charge for the year	833	957	1,846	3,636
Eliminated on disposal	(331)	(6,160)	-	(6,491)
At 31 March 2019	20,477	2,499	16,822	39,798
Carrying amount				
At 31 March 2019	4,945	1,828	5,538	12,311
At 31 March 2018	4,913	2,912	7,384	15,209

5 Stocks

	2019 £	2018 £
Other inventories	6,250	6,250

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Notes to the Financial Statements for the Year Ended 31 March 2019

6 Debtors

	2019 £	2018 £
Trade debtors	3,230	34,242
Prepayments	1,053	2,887
Gross amount due from customers for contract work	82,027	42,740
	83,080	45,627
Total current trade and other debtors	86,310	79,869

7 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	9	1,473	1,512
Trade creditors		21,383	27,187
Taxation and social security		23,669	31,997
Accruals and deferred income		2,707	5,601
Other creditors		1,554	53
		50,786	66,350

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary of £1 each	2	2	2	2

9 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Loans from related parties	1,473	1,512

