

# A and G Setherton Limited

Annual Report and Unaudited Financial Statements  
for the year ended 31 March 2018

## **A AND G SETHERTON LIMITED**

### **Contents**

Balance Sheet	<u>1</u> to <u>2</u>
Notes to the Financial Statements	<u>3</u> to <u>10</u>

# A AND G SETHERTON LIMITED

(Registration number: 04350824)

Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	15,209	9,150
<b>Current assets</b>			
Stocks	<u>6</u>	6,250	6,250
Debtors	<u>7</u>	79,869	57,622
Cash at bank and in hand		<u>27,761</u>	<u>16,418</u>
		113,880	80,290
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	<u>(66,350)</u>	<u>(64,129)</u>
<b>Net current assets</b>		<u>47,530</u>	<u>16,161</u>
<b>Total assets less current liabilities</b>		62,739	25,311
<b>Provisions for liabilities</b>		<u>(2,569)</u>	<u>(1,347)</u>
<b>Net assets</b>		<u>60,170</u>	<u>23,964</u>
<b>Capital and reserves</b>			
Called up share capital		2	2
Profit and loss account		<u>60,168</u>	<u>23,962</u>
<b>Total equity</b>		<u>60,170</u>	<u>23,964</u>

The notes on pages 3 to 10 form an integral part of these financial statements.

## **A AND G SETHERTON LIMITED**

**(Registration number: 04350824)**

**Balance Sheet as at 31 March 2018**

For the financial year ending 31 March 2018 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 20 December 2018 and signed on its behalf by:

Mr GM Setherton  
Director

Mr AJ Setherton  
Director

The notes on pages 3 to 10 form an integral part of these financial statements.

Page 2

# **A AND G SETHERTON LIMITED**

## **Notes to the Financial Statements for the Year Ended 31 March 2018**

### **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 20 December 2018.

### **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 2018**

#### **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 2018

<b>Asset class</b>	<b>Depreciation method and rate</b>
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:

<b>Asset class</b>	<b>Amortisation method and rate</b>
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.

## **A AND G SETHERTON LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **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. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **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.



## **A AND G SETHERTON LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **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.

#### **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.

## A AND G SETHERTON LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 8 (2017 - 8).

#### 4 Intangible assets

	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 April 2017	<u>10,000</u>	<u>10,000</u>
At 31 March 2018	<u>10,000</u>	<u>10,000</u>
<b>Amortisation</b>		
At 1 April 2017	<u>10,000</u>	<u>10,000</u>
At 31 March 2018	<u>10,000</u>	<u>10,000</u>
<b>Carrying amount</b>		
At 31 March 2018	<u><u>-</u></u>	<u><u>-</u></u>

# A AND G SETHERTON LIMITED

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 5 Tangible assets

	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2017	23,450	7,169	22,140	52,759
Additions	1,438	3,445	4,215	9,098
Disposals	-	-	(3,995)	(3,995)
At 31 March 2018	24,888	10,614	22,360	57,862
<b>Depreciation</b>				
At 1 April 2017	19,243	6,769	17,597	43,609
Charge for the year	732	933	1,217	2,882
Eliminated on disposal	-	-	(3,838)	(3,838)
At 31 March 2018	19,975	7,702	14,976	42,653
<b>Carrying amount</b>				
At 31 March 2018	4,913	2,912	7,384	15,209
At 31 March 2017	4,207	400	4,543	9,150

### 6 Stocks

	2018 £	2017 £
Other inventories	6,250	6,250

### 7 Debtors

	2018 £	2017 £
Trade debtors	34,242	48,243
Prepayments	2,887	1,719
Gross amount due from customers for contract work	42,740	7,660
	45,627	9,379
Total current trade and other debtors	79,869	57,622

## A AND G SETHERTON LIMITED

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### 8 Creditors

##### Creditors: amounts falling due within one year

	Note	2018 £	2017 £
<b>Due within one year</b>			
Bank loans and overdrafts	9	1,512	1,016
Trade creditors		27,187	26,029
Taxation and social security		31,997	33,877
Accruals and deferred income		5,601	3,184
Other creditors		53	23
		<u>66,350</u>	<u>64,129</u>

#### 9 Loans and borrowings

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Finance lease liabilities	-	762
Loans from related parties	1,512	254
	<u>1,512</u>	<u>1,016</u>

##### Finance leases.

The finance lease and hire purchase contracts are secured against the specific assets financed.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.