

REGISTERED NUMBER: 04520631 (England and Wales)

AGWOOD LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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FOR THE YEAR ENDED 31 DECEMBER 2017**

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AGWOOD LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2017

DIRECTOR:	I P Wood
REGISTERED OFFICE:	Delandale House 37 Old Dover Road Canterbury Kent CT1 3JF
REGISTERED NUMBER:	04520631 (England and Wales)
ACCOUNTANTS:	Wilkins Kennedy LLP Delandale House 37 Old Dover Road Canterbury Kent CT1 3JF
BANKERS:	Barclays Bank PLC Ashford Business Centre 86 High Street Ashford Kent TN24 8TL
SOLICITORS:	Beadle Pitt and Gottschalk 1 St. Margaret's Street Canterbury Kent CT1 2TT

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2017

	Notes	£	2017 £	2016 £
FIXED ASSETS				
Property, plant and equipment	4		142,327	139,089
CURRENT ASSETS				
Inventories		2,344,887	1,971,948	
Debtors	5	541,650	568,747	
Prepayments and accrued income		74,741	85,898	
Cash at bank and in hand		<u>1,684</u>	<u>1,676</u>	
		2,962,962	2,628,269	
CREDITORS				
Amounts falling due within one year	6	<u>1,970,192</u>	<u>1,798,390</u>	
NET CURRENT ASSETS			<u>992,770</u>	<u>829,879</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,135,097</u>	<u>968,968</u>
CREDITORS				
Amounts falling due after more than one year	7		(24,676)	(21,193)
PROVISIONS FOR LIABILITIES			(26,251)	(26,893)
ACCRUALS AND DEFERRED INCOME			<u>(101,621)</u>	<u>(59,990)</u>
NET ASSETS			<u>982,549</u>	<u>860,892</u>

The notes on pages 4 to 8 form part of these financial statements

STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2017

Notes	£	2017 £	£	2016 £
CAPITAL AND RESERVES				
Called up share capital		1,000		1,000
Retained earnings		981,549		859,892
SHAREHOLDERS' FUNDS		<u>982,549</u>		<u>860,892</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 11 March 2018 and were signed by:

I P Wood - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. STATUTORY INFORMATION

Agwood 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 the provisions of Section 1A "Small Entities" of 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.

The company transitioned from previously extant Financial Reporting Standard for Smaller Entities to Section 1A of FRS 102 as at 1 January 2016. The introduction of Section 1A of FRS 102 has had no significant impact on the accounting policies adopted by the company.

The financial statements are produced in sterling (£) which is also the functional currency for the company and rounded to the nearest £1.

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

After reviewing the company's forecasts and projections and taking into account the economic conditions and possible changes in trading performance, the officers of the company have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of trade discounts and value added tax. Turnover includes revenue earned from the sale of goods and from the rendering of services. The policies adopted for the recognition of turnover are as follows:

Sale of goods:

Turnover from the sale of wholegoods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. The amount of turnover can be measured reliably, as it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services:

Turnover from servicing and warranty work is recognised by reference to the stage of completion of the activity. The stage of completion of the activity is measured by comparing the costs incurred for the work performed to date to the total estimated costs of the activity. Turnover is only recognised to the extent of recoverable expenses when the outcome of an activity cannot be estimated reliably.

Interest income:

Interest income is recognised using the effective interest method (the true value of the amount receivable during the year).

Bonuses and incentives:

Turnover from bonuses and incentives are recognised in the period to which the target driven bonus or incentive is achieved.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued

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.

Short leasehold	- 10% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Equipment	- 33% on reducing balance

Stocks and work in progress

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

Cost of parts stocks is calculated using the average price method and are fully written down after 36 months of inactivity. Work in progress is the value of labour applied to parts being used for partially completed workshop repairs and maintenance work.

Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Financial instruments

Financial instruments are classified, and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Taxation

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

2. ACCOUNTING POLICIES - continued**Provisions**

Provisions are set up only where it is probable that a present obligation exists as a result of an event prior to the balance sheet date and that a payment will be required in settlement that can be estimated reliably. Where material, provisions are calculated on a discounted basis.

Trade and other receivables

Trade and other receivables are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Trade and other payables

Trade and other payables are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 24 (2016 - 22).

4. PROPERTY, PLANT AND EQUIPMENT

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Equipment £	Totals £
COST					
At 1 January 2017	17,466	118,539	260,834	94,033	490,872
Additions	-	4,157	42,149	9,517	55,823
Disposals	-	-	(25,995)	(1,458)	(27,453)
At 31 December 2017	<u>17,466</u>	<u>122,696</u>	<u>276,988</u>	<u>102,092</u>	<u>519,242</u>
DEPRECIATION					
At 1 January 2017	12,841	82,052	175,859	81,031	351,783
Charge for year	463	17,018	24,172	4,476	46,129
Eliminated on disposal	-	-	(19,578)	(1,419)	(20,997)
At 31 December 2017	<u>13,304</u>	<u>99,070</u>	<u>180,453</u>	<u>84,088</u>	<u>376,915</u>
NET BOOK VALUE					
At 31 December 2017	<u>4,162</u>	<u>23,626</u>	<u>96,535</u>	<u>18,004</u>	<u>142,327</u>
At 31 December 2016	<u>4,625</u>	<u>36,487</u>	<u>84,975</u>	<u>13,002</u>	<u>139,089</u>

The net book value of property, plant and equipment includes £ 92,130 (2016 - £ 90,341) in respect of assets held under hire purchase contracts.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Trade debtors	424,369	348,059
Other debtors	<u>117,281</u>	<u>220,688</u>
	<u>541,650</u>	<u>568,747</u>

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Bank loans and overdrafts	226,241	240,965
Hire purchase contracts (see note 8)	26,686	25,987
Trade creditors	1,460,012	1,342,082
Taxation and social security	86,778	21,451
Other creditors	<u>170,475</u>	<u>167,905</u>
	<u>1,970,192</u>	<u>1,798,390</u>

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017	2016
	£	£
Hire purchase contracts (see note 8)	<u>24,676</u>	<u>21,193</u>

8. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2017	2016
	£	£
Gross obligations repayable:		
Within one year	28,624	27,771
Between one and five years	<u>25,478</u>	<u>22,031</u>
	<u>54,102</u>	<u>49,802</u>
Finance charges repayable:		
Within one year	1,938	1,784
Between one and five years	<u>802</u>	<u>838</u>
	<u>2,740</u>	<u>2,622</u>
Net obligations repayable:		
Within one year	26,686	25,987
Between one and five years	<u>24,676</u>	<u>21,193</u>
	<u>51,362</u>	<u>47,180</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2017

8. LEASING AGREEMENTS - continued

		Non-cancellable operating leases
	2017	2016
	£	£
Within one year	8,246	-
Between one and five years	26,479	59,660
	<u>34,725</u>	<u>59,660</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2017	2016
	£	£
Hire purchase contracts	<u>51,362</u>	<u>47,180</u>

10. CAPITAL COMMITMENTS

The company has sold items of machinery to a finance company where there is a possibility that the finance company may request the company to buy back those items of machinery at some point in the future. At 31 December 2017 the liability was estimated to be £160,000 (2016 - £319,000).

11. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

I P Wood has given personal guarantees in respect of the company's bank borrowings and to two of the company's suppliers.

12. ULTIMATE CONTROLLING PARTY

The company was under the control of I P Wood, the sole director and shareholder, throughout the period.

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.