
OSWESTRY LIVESTOCK AUCTIONS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2019

OSWESTRY LIVESTOCK AUCTIONS LIMITED
REGISTERED NUMBER: 08310841

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	4	611,739	688,207
Tangible assets	5	22,740	26,261
		<u>634,479</u>	<u>714,468</u>
Current assets			
Debtors: amounts falling due after more than one year	6	1,291,946	1,372,078
Debtors: amounts falling due within one year	6	1,421,870	2,350,621
Cash at bank and in hand	7	278,569	336,391
		<u>2,992,385</u>	<u>4,059,090</u>
Creditors: amounts falling due within one year	8	(1,627,265)	(1,661,901)
Net current assets		<u>1,365,120</u>	<u>2,397,189</u>
Total assets less current liabilities		<u>1,999,599</u>	<u>3,111,657</u>
Creditors: amounts falling due after more than one year	9	(1,904,036)	(2,141,512)
Net assets		<u><u>95,563</u></u>	<u><u>970,145</u></u>
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account		95,463	970,045
		<u><u>95,563</u></u>	<u><u>970,145</u></u>

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BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 October 2019.

Mr J H Brereton
Director

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Oswestry Livestock Auctions Limited, 08310841, is a private limited company, limited by shares, incorporated in England and Wales, with its registered office and principal place of business at New Smithfield, Shrewsbury Road, Oswestry, shropshire, SY11 4QA.

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 Section 1A of 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.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue 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 revenue 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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.3 Taxation

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.

2.4 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.

2.5 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Smithfield equipment	- 10% reducing balance
Office equipment	- 30% reducing balance
Computer equipment	- 33% 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.6 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.

2.7 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.

2.8 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.

2.9 Financial instruments

The Company only enters into basic financial instrument 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 the 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.

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

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NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.9 Financial instruments (continued)

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 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2018 - 5).

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2018	764,675
At 31 March 2019	764,675
Amortisation	
At 1 April 2018	76,468
Charge for the year	76,468
At 31 March 2019	152,936
Net book value	
At 31 March 2019	611,739
At 31 March 2018	688,207

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5. Tangible fixed assets

	Smithfield equipment £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2018	26,178	437	19,750	46,365
Additions	-	-	855	855
At 31 March 2019	26,178	437	20,605	47,220
Depreciation				
At 1 April 2018	6,190	437	13,477	20,104
Charge for the year on owned assets	1,999	-	2,377	4,376
At 31 March 2019	8,189	437	15,854	24,480
Net book value				
At 31 March 2019	17,989	-	4,751	22,740
At 31 March 2018	19,988	-	6,273	26,261

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NOTES TO THE FINANCIAL STATEMENTS
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6. Debtors

	2019 £	2018 £
Due after more than one year		
Amounts owed by group undertakings	1,291,946	1,372,078
	<u>1,291,946</u>	<u>1,372,078</u>
Due within one year		
Trade debtors	1,309,769	1,364,166
Amounts owed by group undertakings	95,463	970,045
Other debtors	2,751	640
Prepayments and accrued income	13,887	15,770
	<u>1,421,870</u>	<u>2,350,621</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	278,569	336,391
Less: bank overdrafts	(1,204,736)	(1,274,108)
	<u>(926,167)</u>	<u>(937,717)</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	1,204,736	1,274,108
Trade creditors	100,805	74,969
Corporation tax	35,066	36,436
Other taxation and social security	30,881	33,720
Other creditors	235,143	217,568
Accruals and deferred income	20,634	25,100
	<u>1,627,265</u>	<u>1,661,901</u>

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

	2019 £	2018 £
Other creditors	1,904,036	2,141,512
	<u>1,904,036</u>	<u>2,141,512</u>

10. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
10,000 (2018 - 10,000) Ordinary shares of £0.01 each	<u>100</u>	<u>100</u>

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.