

COMPANY REGISTRATION NUMBER: 8601042

**AC Davies Coal Limited**

**Filleted Unaudited Financial Statements**

**31 May 2018**

# **AC Davies Coal Limited**

## **Financial Statements**

**Year ended 31 May 2018**

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	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	6	5,915	7,887
<b>Current assets</b>			
Stocks		136,667	128,681
Debtors	7	25,836	33,093
Cash at bank and in hand		8,500	4,510
		171,003	166,284
<b>Creditors: amounts falling due within one year</b>	8	( 128,033)	( 132,852)
<b>Net current assets</b>		42,970	33,432
<b>Total assets less current liabilities</b>		48,885	41,319
<b>Creditors: amounts falling due after more than one year</b>	9	( 7,750)	( 20,490)
<b>Provisions</b>			
Taxation including deferred tax		591	( 1,039)
<b>Net assets</b>		41,726	19,790
<b>Capital and reserves</b>			
Called up share capital	11	1	1
Profit and loss account		41,725	19,789
<b>Shareholders funds</b>		41,726	19,790

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 May 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

# **AC Davies Coal Limited**

## **Statement of Financial Position** *(continued)*

**31 May 2018**

These financial statements were approved by the board of directors and authorised for issue on 19 December 2018  
, and are signed on behalf of the board by:

Mr J Davies

Director

Company registration number: 8601042

# **AC Davies Coal Limited**

## **Notes to the Financial Statements**

**Year ended 31 May 2018**

### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Hamilton House, Hamilton Terrace, Milford Haven, Pembrokeshire, SA73 3JP.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

The director has a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future. For this reason, the director continues to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 reporting date that are expected to apply to the reversal of the timing difference.

## **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance

### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

### **Stocks**

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

### **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

## Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 5 (2017: 4 ).

### 5. Tax on profit

#### Major components of tax expense

	2018	2017
	£	£
<b>Current tax:</b>		
UK current tax expense	2,999	5,543
Adjustments in respect of prior periods	( 41)	—
	-----	-----
Total current tax	2,958	5,543
	-----	-----
<b>Deferred tax:</b>		
Origination and reversal of timing differences	( 1,631)	1,039
	-----	-----
<b>Tax on profit</b>	<b>1,327</b>	<b>6,582</b>
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### 6. Tangible assets

	Plant and machinery	Motor vehicles	Total
	£	£	£
<b>Cost</b>			
<b>At 1 June 2017 and 31 May 2018</b>	7,517	16,095	23,612
	-----	-----	-----
<b>Depreciation</b>			
At 1 June 2017	5,006	10,719	15,725
Charge for the year	628	1,344	1,972
	-----	-----	-----
<b>At 31 May 2018</b>	5,634	12,063	17,697
	-----	-----	-----
<b>Carrying amount</b>			
<b>At 31 May 2018</b>	1,883	4,032	5,915
	-----	-----	-----
At 31 May 2017	2,511	5,376	7,887
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#### Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Motor vehicles
	£
<b>At 31 May 2018</b>	—
	-----
At 31 May 2017	3,452
	-----

## 7. Debtors

	2018	2017
	£	£
Trade debtors	25,500	17,800
Other debtors	336	15,293
	<u>25,836</u>	<u>33,093</u>

Other debtors include an amount of £Nil (2017 - £Nil) falling due after more than one year .

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

	2018	2017
	£	£
Bank loans and overdrafts (secured)	7,182	20,192
Trade creditors	55,261	83,476
Corporation tax	8,624	5,543
Social security and other taxes	1,897	3,145
Loans (secured)	10,500	13,255
Hire purchase agreements	—	2,220
Other creditors	44,569	5,021
	<u>128,033</u>	<u>132,852</u>

Finance Wales Investments (6) Ltd hold a fixed and floating charge, dated 26 February 2014, over the assets of the company.

Barclays Bank Plc hold a fixed and floating charge, dated 18 May 2015 and 18 June 2015, over all the property and undertakings of the company.

Finance Wales Investments (10) Ltd hold a fixed and floating charge, dated 2 June 2016, over the assets of the company.

## 9. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Loans (secured)	7,750	20,490

## 10. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018	2017
	£	£
Included in provisions	( 591)	1,039

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Accelerated capital allowances	( 591)	1,039

## 11. Called up share capital

### Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £ 1 each	1	1	1	1



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.