

Company Registration No. 00470607 (England and Wales)

W.G. DAVIES (LANDORE) LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

W.G. DAVIES (LANDORE) LIMITED

COMPANY INFORMATION

Directors	Mr W D Lloyd Mr M R Davies Mr M R Jones
Secretary	Mr W D Lloyd
Company number	00470607
Registered office	11 St Davids Road Swansea Enterprise Park Swansea Glamorgan SA6 8QL
Accountants	DJH Accountants Limited Porthill Lodge High Street Wolstanton Newcastle under Lyme Staffordshire ST5 0EZ

W.G. DAVIES (LANDORE) LIMITED

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W.G. DAVIES (LANDORE) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		1,886,901		969,950
Investments	4		-		3,530
			<u>1,886,901</u>		<u>973,480</u>
Current assets					
Stocks		602,361		809,144	
Debtors	5	921,681		927,804	
Cash at bank and in hand		127,472		96,163	
		<u>1,651,514</u>		<u>1,833,111</u>	
Creditors: amounts falling due within one year	6	<u>(1,948,017)</u>		<u>(1,963,861)</u>	
Net current liabilities			<u>(296,503)</u>		<u>(130,750)</u>
Total assets less current liabilities			<u>1,590,398</u>		<u>842,730</u>
Creditors: amounts falling due after more than one year	7		<u>(834,474)</u>		<u>(648,903)</u>
Net assets			<u><u>755,924</u></u>		<u><u>193,827</u></u>
Capital and reserves					
Called up share capital	8		50,000		200,000
Share premium account	9		-		45,000
Revaluation reserve	10		628,075		270,859
Profit and loss reserves			77,849		(322,032)
Total equity			<u><u>755,924</u></u>		<u><u>193,827</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 5 March 2018 and are signed on its behalf by:

Mr M R Davies
Director

Mr M R Jones
Director

Company Registration No. 00470607

W.G. DAVIES (LANDORE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

W.G. Davies (Landore) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 11 St Davids Road, Swansea Enterprise Park, Swansea, Glamorgan, SA6 8QL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of leasehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over 125 year lease
Leasehold improvements	5%, 10% & 20% straight line on cost
Plant and equipment	20%, 25% & 33% straight line on cost
Fixtures and fittings	25%, 33% & 50% straight line on cost
Motor vehicles	25% & 33% straight line on cost

W.G. DAVIES (LANDORE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

W.G. DAVIES (LANDORE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

W.G. DAVIES (LANDORE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, 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. Financial liabilities classified as payable within one year are not amortised.

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. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

W.G. DAVIES (LANDORE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 105 (2016 - 62).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost or valuation			
At 1 January 2017	925,192	684,833	1,610,025
Additions	639,936	231,579	871,515
Disposals	(33,282)	(69,366)	(102,648)
Revaluation	200,116	-	200,116
At 31 December 2017	1,731,962	847,046	2,579,008
Depreciation and impairment			
At 1 January 2017	268,383	371,692	640,075
Depreciation charged in the year	81,893	174,624	256,517
Eliminated in respect of disposals	(6,044)	(41,341)	(47,385)
Revaluation	(157,100)	-	(157,100)
At 31 December 2017	187,132	504,975	692,107
Carrying amount			
At 31 December 2017	1,544,830	342,071	1,886,901
At 31 December 2016	656,809	313,141	969,950

W.G. DAVIES (LANDORE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

3 Tangible fixed assets

(Continued)

Included in land and buildings were long leasehold property which was revalued to £650,000 at 31/12/2017 by CLC Chartered Surveyors, independent valuers not connected with the company on the basis of market value. The valuation conforms to RICS standards and was based on recent market transactions on arm's length terms for similar properties.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2017 £	2016 £
Cost	130,465	109,041
Accumulated depreciation	(41,534)	(34,669)
Carrying value	88,931	74,372

The revaluation surplus is disclosed in note 10.

4 Fixed asset investments

	2017 £	2016 £
Investments	-	3,530

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 January 2017	23,230
Disposals	(21,930)
At 31 December 2017	1,300
Impairment	
At 1 January 2017	19,700
Impairment losses	(18,400)
At 31 December 2017	1,300
Carrying amount	
At 31 December 2017	-
At 31 December 2016	3,530

W.G. DAVIES (LANDORE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

5 Debtors	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	534,031	721,699
Other debtors	387,650	206,105
	<u>921,681</u>	<u>927,804</u>

6 Creditors: amounts falling due within one year	2017	2016
	£	£
Bank loans and overdrafts	438,833	480,929
Trade creditors	827,616	961,982
Other taxation and social security	199,918	192,743
Other creditors	481,650	328,207
	<u>1,948,017</u>	<u>1,963,861</u>

Bank loans are secured by fixed and floating charges over the company' assets.

Amount due under finance leases are secured against the assets they relate to.

7 Creditors: amounts falling due after more than one year	2017	2016
	£	£
Bank loans and overdrafts	131,116	235,564
Other creditors	703,358	413,339
	<u>834,474</u>	<u>648,903</u>

Bank loans are secured by fixed and floating charges over the company' assets.

Amount due under finance leases are secured against the assets they relate to.

Amounts included above which fall due after five years are as follows:

Payable by instalments	-	9,209
	<u>-</u>	<u>9,209</u>

W.G. DAVIES (LANDORE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

8 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
200,000 Ordinary of £1 each	-	200,000
40,000 Ordinary of £1 each	40,000	-
10,000 Ordinary A of £1 each	10,000	-
	<u>50,000</u>	<u>200,000</u>

Reconciliation of movements during the year:

	Ordinary Number	Ordinary A Number
At 1 January 2017	200,000	-
Reduction in share capital	(150,000)	-
Redesignation of shares	(10,000)	10,000
	<u>40,000</u>	<u>10,000</u>
At 31 December 2017	<u>40,000</u>	<u>10,000</u>

9 Share premium account

	2017 £	2016 £
At beginning of year	45,000	45,000
Other movements	(45,000)	-
	<u>-</u>	<u>45,000</u>
At end of year	<u>-</u>	<u>45,000</u>

10 Revaluation reserve

	2017 £	2016 £
At beginning of year	270,859	277,102
Revaluation surplus arising in the year	357,216	-
Transfer to retained earnings	-	(6,243)
	<u>628,075</u>	<u>270,859</u>
At end of year	<u>628,075</u>	<u>270,859</u>

W.G. DAVIES (LANDORE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

11 Directors' transactions

Description	% Rate	Opening balance £	Amounts repaid £	Closing balance £
Directors current account	-	59,533	(59,533)	-
		<u>59,533</u>	<u>(59,533)</u>	<u>-</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.