

Gissing & Lonsdale Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 June 2017

Hargreaves Brown & Benson
Chartered Accountants
1 Bond Street
Colne
Lancashire
BB8 9DG

Gissing & Lonsdale Limited

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Gissing & Lonsdale Limited

Company Information

Directors	G N Oxley E J Haythornthwaite W T Gissing G A Lonsdale A Gissing
Registered office	Wellhouse Works Wellhouse Road Barnoldswick Colne Lancashire BB18 6DD
Accountants	Hargreaves Brown & Benson Chartered Accountants 1 Bond Street Colne Lancashire BB8 9DG

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
Gissing & Lonsdale Limited
for the Year Ended 30 June 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Gissing & Lonsdale Limited for the year ended 30 June 2017 as set out on pages 3 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icacw.com/cn/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Gissing & Lonsdale Limited. Our work has been undertaken solely to prepare for your approval the accounts of Gissing & Lonsdale Limited and state those matters that we have agreed to state to the Board of Directors of Gissing & Lonsdale Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Gissing & Lonsdale Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Gissing & Lonsdale Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Gissing & Lonsdale Limited. You consider that Gissing & Lonsdale Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Gissing & Lonsdale Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Hargreaves Brown & Benson
Chartered Accountants
1 Bond Street
Colne
Lancashire
BB8 9DG

19 January 2018

Gissing & Lonsdale Limited

(Registration number: 00510285)

Balance Sheet as at 30 June 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>3</u>	225,116	265,346
Other financial assets	<u>4</u>	37,335	35,857
		<u>262,451</u>	<u>301,203</u>
Current assets			
Stocks	<u>5</u>	245,847	215,398
Debtors	<u>6</u>	651,860	743,048
Cash at bank and in hand		309,880	324,295
		<u>1,207,587</u>	<u>1,282,741</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(282,716)</u>	<u>(400,434)</u>
Net current assets		<u>924,871</u>	<u>882,307</u>
Total assets less current liabilities		1,187,322	1,183,510
Provisions for liabilities		<u>(23,891)</u>	<u>(31,021)</u>
Net assets excluding pension asset/(liability)		1,163,431	1,152,489
Net pension liability		<u>(946,000)</u>	<u>(946,000)</u>
Net assets		<u>217,431</u>	<u>206,489</u>
Capital and reserves			
Called up share capital		2,001	2,001
Revaluation reserve		53,023	62,827
Profit and loss account		<u>162,407</u>	<u>141,661</u>
Total equity		<u>217,431</u>	<u>206,489</u>

For the financial year ending 30 June 2017 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.

The notes on pages 5 to 10 form an integral part of these financial statements.

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Gissing & Lonsdale Limited

(Registration number: 00510285)

Balance Sheet as at 30 June 2017

Approved and authorised by the Board on 19 January 2018 and signed on its behalf by:

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W T Gissing

Director

The notes on pages 5 to 10 form an integral part of these financial statements.
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Gissing & Lonsdale Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

1 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.

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:

Asset class	Depreciation method and rate
Land and buildings	5% on cost
Plant and machinery	25% on reducing balance
Fixtures and fittings	15% on reducing balance
Motor vehicles	25% on reducing balance

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 amortised cost using the effective interest method, less provision for 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 receivables.

Gissing & Lonsdale Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

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.

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 amortised cost using the effective interest method.

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. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

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. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Defined benefit pension obligation

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 27 (2016 - 27).

Gissing & Lonsdale Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

3 Tangible assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation					
At 1 July 2016	66,308	72,489	104,819	627,253	870,869
Additions	-	-	-	8,229	8,229
At 30 June 2017	66,308	72,489	104,819	635,482	879,098
Depreciation					
At 1 July 2016	22,312	68,638	72,949	441,624	605,523
Charge for the year	-	434	7,836	40,189	48,459
At 30 June 2017	22,312	69,072	80,785	481,813	653,982
Carrying amount					
At 30 June 2017	43,996	3,417	24,034	153,669	225,116
At 30 June 2016	43,996	3,851	31,870	185,629	265,346

Included within the net book value of land and buildings above is £43,996 (2016 - £43,996) in respect of freehold land and buildings.

Gissing & Lonsdale Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

4 Other financial assets (current and non-current)

	Investments £	Total £
Non-current financial assets		
Cost or valuation		
At 1 July 2016	35,857	35,857
Additions	1,478	1,478
At 30 June 2017	37,335	37,335
Carrying amount		
At 30 June 2017	37,335	37,335

5 Stocks

	2017 £	2016 £
Raw materials and consumables	149,209	151,520
Work in progress	94,638	63,878
Other inventories	2,000	-
	245,847	215,398

6 Debtors

	2017 £	2016 £
Trade debtors	535,943	638,971
Other debtors	115,917	104,077
Total current trade and other debtors	651,860	743,048

7 Creditors

	Note	2017 £	2016 £
Due within one year			
Trade creditors		97,219	146,245
Taxation and social security		62,790	140,354
Other creditors		122,707	113,835
		282,716	400,434

Gissing & Lonsdale Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

8 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £33,270 (2016 - £30,755).

Defined benefit pension schemes

The Gissing & Lonsdale Pension Scheme

The pension scheme, Gissing and Lonsdale Limited Pension Scheme, was established by a trust deed dated 26 April 1973. The scheme is a defined benefit scheme and its objectives are to provide benefits based on final salary to eligible employees of the principal employer.

The date of the most recent comprehensive actuarial valuation was 06 April 2014.

The defined benefit obligation was reduced by £217,000 from the valuation report, dated 06 April 2014, issued April 2015 by the Actuarial Certification of Deficit-Reduction Contributions dated 31 March 2016. An additional contribution of £15,000 was made during the year ended 30 June 2017.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was £110,322 (2016 - £110,100).

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2017	2016
	£	£
Fair value of scheme assets	1,987,000	1,632,000
Present value of defined benefit obligation	(3,031,000)	(2,578,000)
	(1,044,000)	(946,000)
Other amounts not recognised in the statement of financial position	98,000	-
Defined benefit pension scheme deficit	(946,000)	(946,000)

Gissing & Lonsdale Limited

Notes to the Financial Statements for the Year Ended 30 June 2017

9 Related party transactions

Transactions with directors

	At 1 July 2016 £	Advances to directors £	At 30 June 2017 £
2017			
G A Lonsdale	58,867	4,830	63,697

	At 1 July 2015 £	Advances to directors £	At 30 June 2016 £
2016			
G A Lonsdale	53,686	5,181	58,867

Interest was charged on the overdrawn balance at a rate of 3%.

10 Transition to FRS 102

This is the first year the company has presented its financial statements adopting FRS 102 'The financial Reporting Standard Applicable in the United Kingdom and Ireland'. The previous financial statements, for the year ended 30 June 2016 were prepared under UK GAAP.

The date of transition to FRS 102 was 01 July 2015. The transition to FRS 102 has not resulted in any changes in accounting which would require a reconciliation of the profit for the financial year ended 30 June 2016 or total equity as at 01 July 2015 and 30 June 2016 between previously reported UK GAAP and FRS 102.

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.