

Company Registration No. 02229607 (England and Wales)

SHARROCKS (GRASS MACHINERY) LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016**

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SHARROCKS (GRASS MACHINERY) LIMITED

COMPANY INFORMATION

Directors	Mr K F Sharrock Mrs J A Sharrock
Secretary	Mrs J A Sharrock
Company number	02229607
Registered office	91 Mossy Lea Road Wrightington Wigan Lancashire WN6 9RF
Accountants	RSM UK Tax and Accounting Limited Chartered Accountants Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE
Business address	91 Mossy Lea Road Wrightington Wigan Lancashire WN6 9RF

SHARROCKS (GRASS MACHINERY) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Investment properties	3		596,351		596,351
Current assets					
Stocks		1,400		1,400	
Debtors	4	1,992		315	
Cash at bank and in hand		76,079		58,245	
		<u>79,471</u>		<u>59,960</u>	
Creditors: amounts falling due within one year	5	<u>(16,766)</u>		<u>(11,145)</u>	
Net current assets			62,705		48,815
Total assets less current liabilities			659,056		645,166
Provisions for liabilities			(50,333)		(54,607)
Net assets			<u>608,723</u>		<u>590,559</u>
Capital and reserves					
Called up share capital	7		2		2
Profit and loss reserves	8		608,721		590,557
Total equity			<u>608,723</u>		<u>590,559</u>

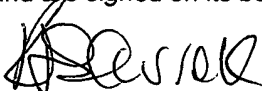
The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and 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 directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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 31/1/17 and are signed on its behalf by:



Mr K F Sharrock
Director

SHARROCKS (GRASS MACHINERY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Sharrocks (Grass Machinery) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 91 Mossy Lea Road, Wrightington, Wigan, Lancashire, WN6 9RF.

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. The principal accounting policies adopted are set out below.

These financial statements are the first financial statements of Sharrocks (Grass Machinery) Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Sharrocks (Grass Machinery) Limited for the year ended 31 December 2015 were prepared in accordance Financial Reporting Standard for Smaller Entities (effective January 2015).

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from the Financial Reporting Standard for Smaller Entities (effective January 2015). Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in equity at the transition date and are detailed in note 11.

Going concern

The directors have concluded that it is appropriate to prepare the accounts on a going concern basis as the company had adequate cash resources and indicate that the company will continue to trade within its existing bank facilities.

Turnover

The turnover shown in the profit and loss account represents the value of all goods sold during the period at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product have been transferred to the customer.

Rental Income

Rental income is recognised on a straight-line basis over the term of the lease and is presented within other operating income.

SHARROCKS (GRASS MACHINERY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

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, those overheads that have been incurred in bringing the stocks to their present location and condition.

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.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments 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.

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 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

SHARROCKS (GRASS MACHINERY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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.

2 Employees

The directors were the only employees during this and the prior year and they received no remuneration in either year.

3 Investment property

Fair value

At 1 January 2016 and 31 December 2016

2016
£

596,351

SHARROCKS (GRASS MACHINERY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

3 Investment property (Continued)

The Cheshire property was valued at £330,000 during July 2010. This was an open market basis by Sanderson Weatherall.

The Eccleston property has been valued at £255,000 during 2010. This is based on the directors' valuation.

The directors believe that the valuations of both properties are still valid.

4 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	1,992	50
Other debtors	-	265
	<u>1,992</u>	<u>315</u>

5 Creditors: amounts falling due within one year

	2016 £	2015 £
Corporation tax	3,486	-
Other creditors	13,280	11,145
	<u>16,766</u>	<u>11,145</u>

6 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	50,333	54,607
	<u>50,333</u>	<u>54,607</u>

7 Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

8 Reserves

Profit and loss reserves

The profit and loss reserves represent cumulative profit and loss net of distribution to owners.

SHARROCKS (GRASS MACHINERY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Contingent liabilities

The company has provided a charge over certain of its fixed assets to secure the bank borrowings of F. R. Sharrock Limited, a related company. The contingent liability at the year end was £606,341 (2015: £666,937).

10 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties. The parties are related as there is common key management personnel.

	Purchase of goods	
	2016	2015
	£	£
Other related parties	857	10,298
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2016	2015
	£	£
Amounts owed to related parties		
Other related parties	625	608
	<u> </u>	<u> </u>
	<u>625</u>	<u>608</u>
	<u> </u>	<u> </u>

11 Reconciliations on adoption of FRS 102

Reconciliation of equity

		1 January	31 December
		2015	2015
	Notes	£	£
Equity as reported under previous UK GAAP		659,517	645,166
Adjustments arising from transition to FRS 102:			
Deferred tax on investment property	1	(61,369)	(54,607)
		<u> </u>	<u> </u>
Equity reported under FRS 102		<u>598,148</u>	<u>590,559</u>
		<u> </u>	<u> </u>

SHARROCKS (GRASS MACHINERY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

11 Reconciliations on adoption of FRS 102 (Continued)

Reconciliation of loss for the financial period

	Notes	2015 £
Loss as reported under previous UK GAAP		(14,351)
Adjustments arising from transition to FRS 102:		
Deferred tax on investment property	1	<u>6,762</u>
Loss reported under FRS 102		<u>(7,589)</u>

Notes to reconciliations on adoption of FRS 102

1 Deferred Taxation

Deferred taxation has been provided on unrealised revaluation gains recognised in earlier years financial statements.