Company Registration No. 04691321 (England and Wales)

ALAN BAYBUTT & SONS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2017

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MHA Moore & Smalley

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ALAN BAYBUTT & SONS LIMITED

COMPANY INFORMATION

Directors	Mr J R Baybutt Mr R A Baybutt Mrs R Baybutt
Company number	04691321
Registered office	467 Moss Lane Hesketh Bank Preston PR4 6XJ
Auditor	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP

ALAN BAYBUTT & SONS LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 8

ALAN BAYBUTT & SONS LIMITED

BALANCE SHEET

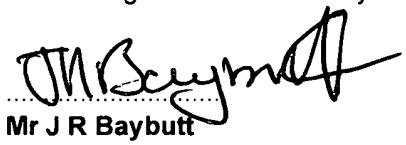
AS AT 30 APRIL 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	3		43,901		46,912
Current assets					
Stocks		893,730		696,786	
Debtors	4	2,619,494		2,636,074	
Cash at bank and in hand		2,124		4,391	
		3,515,348		3,337,251	
Creditors: amounts falling due within one year	5	(1,487,580)		(1,586,937)	
Net current assets			2,027,768		1,750,314
Total assets less current liabilities			2,071,669		1,797,226
Creditors: amounts falling due after more than one year	6		(396,869)		(476,000)
Net assets			1,674,800		1,321,226
Capital and reserves					
Called up share capital	7		200		200
Capital redemption reserve			500		500
Profit and loss reserves			1,674,100		1,320,526
Total equity			1,674,800		1,321,226

The directors of the company have elected not to include a copy of the profit and loss account within the 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 12/10/2017 and are signed on its behalf by:



Mr J R Baybutt
Director

Company Registration No. 04691321

1 Accounting policies

Company information

Alan Baybutt & Sons Limited is a private company limited by shares incorporated in England and Wales. The registered office is 467 Moss Lane, Hesketh Bank, Preston, PR4 6XJ.

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. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 April 2017 are the first financial statements of Alan Baybutt & Sons Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 May 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

Based on the budgets prepared by the company and evidence obtained from interim accounts, the directors have at the time of approving the financial statements every expectation that the company has adequate resources to continue in operational existence for the foreseeable future and at the very least, greater than one year from the date of the audit report. As a consequence they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods 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.

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.

1.4 Tangible fixed assets

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

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

Plant and machinery	15% or 25% reducing balance
Fixtures, fittings & equipment	33% straight line
Motor vehicles	25% reducing balance

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.

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.

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.

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 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.

1 Accounting policies **(Continued)**

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.

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.

1 Accounting policies (Continued)

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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

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.

1.13 Leases

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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 90 (2016 - 85).

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 May 2016	129,938
Additions	8,226
At 30 April 2017	138,164
Depreciation and impairment	
At 1 May 2016	83,026
Depreciation charged in the year	11,237
At 30 April 2017	94,263
Carrying amount	
At 30 April 2017	43,901
At 30 April 2016	46,912

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	99,758	25,535
Amounts due from group undertakings	2,397,705	2,483,034
Other debtors	52,375	56,859
	2,549,838	2,565,428
Amounts falling due after more than one year:		
Deferred tax asset	69,656	70,646
Total debtors	2,619,494	2,636,074

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	433,011	581,671
Trade creditors	807,116	709,073
Taxation and social security	155,958	151,534
Other creditors	91,495	144,659
	1,487,580	1,586,937

Creditors falling due within one year totalling £433,011 (2016: £581,671) have been secured by the company by way of a cross-company unlimited guarantee as disclosed in note 9 and fixed and floating charges over company assets.

6 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	396,869	476,000

Creditors falling due after more than one year totalling £396,869 (2016: £476,000) have been secured by the company by way of a cross-company unlimited guarantee as disclosed in note 9 and fixed and floating charges over company assets.

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

Payable by instalments	171,323	228,982

7 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
190 Ordinary A shares of £1 each	190	190
10 Ordinary G shares of £1 each	10	10
	200	200

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The senior statutory auditor was Joe Sullivan.

8 Audit report information (Continued)

The auditor was MHA Moore and Smalley.

9 Financial commitments, guarantees and contingent liabilities

A cross-company unlimited guarantee is in place in favour of the company's bankers between the company, Baybutt Holdings Limited and Baybutt Investments Limited.

At the balance sheet date, other group company borrowings payable to the company's bankers totalled £1,431,437 (2016: £406,013).

10 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017	2016
	£	£
	349,547	300,985

11 Parent company

The largest and smallest group for which consolidated accounts are prepared of which this company is a member is the group headed by Baybutt Investments Limited. The registered office address of Baybutt Investments Limited is 467 Moss Lane, Hesketh Bank, Preston, PR4 6XJ. Copies of the group accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ or the company's registered office.