

Len Smith & Son Building Contractors Limited

UNAUDITED ABBREVIATED ACCOUNTS

for the year ended

28 February 2015

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Len Smith & Son Building Contractors Limited**UNAUDITED ABBREVIATED BALANCE SHEET**

28 February 2015

	<i>Notes</i>	2015 £	2014 £
FIXED ASSETS			
Intangible assets	1	196,250	211,250
Tangible assets	2	55,121	49,438
		<u>251,371</u>	<u>260,688</u>
CURRENT ASSETS			
Stocks		42,500	65,042
Debtors		890	41,057
Cash at bank and in hand		1,958	31
		<u>45,348</u>	<u>106,130</u>
CREDITORS			
Amounts falling due within one year	4	112,781	184,296
NET CURRENT LIABILITIES		<u>(67,433)</u>	<u>(78,166)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>183,938</u>	<u>182,522</u>
CREDITORS			
Amounts falling due after more than one year	5	110,818	147,792
PROVISIONS FOR LIABILITIES		<u>6,875</u>	<u>4,828</u>
		<u>66,245</u>	<u>29,902</u>
CAPITAL AND RESERVES			
Called up share capital	6	3	3
Profit and loss account		66,242	29,899
SHAREHOLDERS' FUNDS		<u>66,245</u>	<u>29,902</u>

For the year ended 28 February 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and its members have not required the company to have 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 in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 3 to 6 were approved by the board of directors and authorised for issue on 27 August 2015 and are signed on their behalf by:



LW Smith
Director

Len Smith & Son Building Contractors Limited

UNAUDITED ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, of goods and services provided to customers and, in the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be ascertained with reasonable certainty.

AMORTISATION

Amortisation is calculated so as to write off the cost of an intangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - Straight line 20 years

FIXED ASSETS

All fixed assets are initially recorded at net book value

DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - 15% reducing balance basis
Motor Vehicles - 25% reducing balance basis

STOCKS

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

WORK IN PROGRESS

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

HIRE PURCHASE AGREEMENTS

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

DEFERRED TAXATION

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Len Smith & Son Building Contractors Limited

UNAUDITED ACCOUNTING POLICIES

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

FINANCIAL INSTRUMENTS

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 entity after deducting all of its financial liabilities.

Len Smith & Son Building Contractors Limited

UNAUDITED NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 28 February 2015

1 INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 March 2014 and 28 February 2015	<u>300,000</u>
Amortisation	
At 1 March 2014	88,750
Charge for the year	<u>15,000</u>
At 28 February 2015	<u>103,750</u>
Net book value	
At 28 February 2015	<u>196,250</u>
At 28 February 2014	<u>211,250</u>

2 TANGIBLE FIXED ASSETS

	Plant & Machinery £	Motor Vehicles £	Total £
Cost			
At 1 March 2014	70,215	39,569	109,784
Additions	–	16,519	16,519
Disposals	–	(8,495)	(8,495)
At 28 February 2015	<u>70,215</u>	<u>47,593</u>	<u>117,808</u>
Depreciation			
At 1 March 2014	37,854	22,492	60,346
Charge for the year	4,854	4,158	9,012
On disposals	–	(6,671)	(6,671)
At 28 February 2015	<u>42,708</u>	<u>19,979</u>	<u>62,687</u>
Net book value			
At 28 February 2015	<u>27,507</u>	<u>27,614</u>	<u>55,121</u>
At 28 February 2014	<u>32,361</u>	<u>17,077</u>	<u>49,438</u>

Hire purchase agreements

Included within the net book value of £55,121 is £6,536 (2014 - £8,715) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £2,179 (2014 - £2,905).

Len Smith & Son Building Contractors Limited

UNAUDITED NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 28 February 2015

3 RELATED PARTY TRANSACTIONS

During the year the company had the following transactions with the directors as defined by the Financial Reporting Standard for Smaller equities (effective April 2009).

During the year the directors maintained a current account with the company.

Mr L W Smith introduced £8,000 with £20,741 being withdrawn during the year. The balance owed to Mr L W Smith at the 28 February 2015 amounted to £29,674 (2014:£42,415). During the year, Mr L W Smith received dividends amounting to £8,000.

Mrs D M Smith introduced £8,000 with £20,741 being withdrawn during the year. The balance owed to Mrs D M Smith at the 28 February 2015 amounted to £80,986 (2014:£93,727). During the year, Mrs D M Smith received dividends amounting to £8,000.

Mr D Smith introduced £33,000 with £40,878 being withdrawn during the year. The balance owed to Mr D Smith at the 28 February 2015 amounted to £158 (2014 £8,036). During the year, Mr D Smith received dividends amounting to £33,000.

4 CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2015	2014
	£	£
Bank loans and overdrafts	–	58,560
Hire purchase agreements	3,992	3,327
	<u>3,992</u>	<u>61,887</u>

5 CREDITORS : Amounts falling due after one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2015	2014
	£	£
Hire purchase agreements	<u>-</u>	<u>3,614</u>

6 SHARE CAPITAL

	2015	2014
	£	£
Allotted, called up and fully paid:		
3 Ordinary shares of £1 each	<u>3</u>	<u>3</u>

ACCOUNTANTS' REPORT TO THE DIRECTORS OF LEN SMITH & SON
BUILDING CONTRACTORS LIMITED ON THE UNAUDITED ABBREVIATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2015

In order to assist you to fulfil your duties under the Companies Act 2006, we prepared for your approval the abbreviated financial statements of Len Smith & Son Building Contractors Limited which comprise the Profit and Loss Account, Balance Sheet and the related notes as set out on pages 1 to 5 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.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the directors of Len Smith & Son Building Contractors Limited as a body, in accordance with the terms of our engagement letter dated 18 April 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Len Smith & Son Building Contractors Limited and state those matters that we have agreed to state to them in accordance with AAF 2/10 as detailed at icaew.com/compilation. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights against Baker Tilly Tax and Accounting Limited for any purpose or in any context. Any party other than the directors which obtains access to this report or a copy and chooses to rely on this report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, Baker Tilly Tax and Accounting Limited will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

It is your duty to ensure that Len Smith & Son Building Contractors Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Len Smith & Son Building Contractors Limited under the Companies Act 2006. You consider that Len Smith & Son Building Contractors 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 financial statements of Len Smith & Son Building Contractors 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 financial statements.

Baker Tilly Tax and Accounting Limited

BAKER TILLY TAX AND ACCOUNTING LIMITED

Chartered Accountants

1 St. James' Gate

Newcastle upon Tyne

21/8/15