

Registered number: 00012934 (England & Wales)

WATTS AND COMPANY LIMITED
DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018

Pages for filing with Registrar



WATTS AND COMPANY LIMITED

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WATTS AND COMPANY LIMITED

COMPANY INFORMATION

Directors	Fiona Flint Marie De Caraman Chimay Michael Hoare Robert Hoare Valerie Humphrey
Registered number	00012934
Registered office	7 Tufton Street Westminster London SW1P 3QE
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ

WATTS AND COMPANY LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	-	583
Investments	5	30	30
		<u>30</u>	<u>613</u>
Current assets			
Stocks		198,768	190,619
Debtors due within 1 year	6	102,494	200,493
Bank and cash balances		38,032	32,376
		<u>339,294</u>	<u>423,488</u>
Creditors: amounts falling due within one year	7	<u>(475,146)</u>	<u>(464,202)</u>
Net current liabilities		<u>(135,852)</u>	<u>(40,714)</u>
Total assets less current liabilities		<u>(135,822)</u>	<u>(40,101)</u>
Net liabilities		<u>(135,822)</u>	<u>(40,101)</u>
Capital and reserves			
Called up share capital		14,100	14,900
Share premium account		104,800	104,800
Capital redemption reserve		2,450	1,650
Profit and loss account		<u>(257,172)</u>	<u>(161,451)</u>
		<u>(135,822)</u>	<u>(40,101)</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and the members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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


The company has opted not to file the Directors' Report and Profit and Loss Account in accordance with provisions applicable to companies subject to the small companies' regime.

WATTS AND COMPANY LIMITED

Registered number: 00012934 (England & Wales)

**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018**

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
Michael Hoare
Director

Date: 3/8/19

The notes on pages 4 to 10 form part of these financial statements.

WATTS AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Watts and Company Limited is a private company limited by share capital, incorporated in England and Wales, registration number 00012934. The address of the registered office is 7 Tufton Street, Westminster, London SW1P 3QE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have received assurance from the company's largest creditor that repayment of the loan will not be demanded should it jeopardise the continued operational existence of the company. The directors therefore consider it appropriate that the financial statements are prepared on a going concern basis.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

WATTS AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery etc.	-	25%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

2.5 Investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Profit and Loss Account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Profit and Loss Account.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

WATTS AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account.

2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

WATTS AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.13 Pensions

Defined contribution pension scheme

The company operates a defined contribution plan for its employees. A defined contribution scheme is a pension scheme under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

2.14 Taxation

Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

3. Employees

The average monthly number of employees, including directors, during the year was 19 (2016 - 18).

WATTS AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Tangible fixed assets

	Plant and machinery etc. £
Cost	
At 1 January 2018	16,994
At 31 December 2018	<u>16,994</u>
Depreciation	
At 1 January 2018	16,411
Charge for the year	583
At 31 December 2018	<u>16,994</u>
Net book value	
At 31 December 2018	<u><u>-</u></u>
At 31 December 2017	<u><u>583</u></u>

WATTS AND COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018****5. Fixed asset investments**

	Unlisted investments £
Cost	
At 1 January 2018	30
At 31 December 2018	30
Net book value	
At 31 December 2018	30
At 31 December 2017	30

6. Debtors

	2018 £	2017 £
Trade debtors	78,812	71,021
Other debtors	23,682	129,472
	102,494	200,493

7. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	81,735	67,557
Other taxation and social security	20,319	23,194
Other creditors	373,092	373,451
	475,146	464,202

8. Commitments under operating leases

At 31 December 2018 the company had future minimum lease payments under non-cancellable operating leases of £183,750 (2016 - £218,500).

WATTS AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. Related party transactions

Other creditors includes an interest free loan of £228,927 (2016 - £220,513) from a company under common control.

Other creditors includes interest free loans of £62,869 (2016 - £41,040) which have been loaned to the company by directors.