

REGISTERED NUMBER: 00469211 (England and Wales)

Financial Statements for the Period 1 January 2019 to 30 June 2020

for

John Baxter & Sons Limited



John Baxter & Sons Limited (Registered number: 00469211)

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for the Period 1 January 2019 to 30 June 2020

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John Baxter & Sons Limited

Company Information

for the Period 1 January 2019 to 30 June 2020

DIRECTORS:

M A Lockley
R A Smith

REGISTERED OFFICE:

11 Boston Road
Leicester
Leicestershire
LE4 1AA

REGISTERED NUMBER:

00469211 (England and Wales)

SENIOR STATUTORY AUDITOR: Anna Madden FCA

AUDITORS:

Curo Professional Services Ltd, Statutory Auditors
Curo House
Greenbox
Westonhall Road
Bromsgrove
Worcestershire
B60 4AL

John Baxter & Sons Limited (Registered number: 00469211)

Balance Sheet

30 June 2020

	Notes	2020 £	2018 £
FIXED ASSETS			
Tangible assets	4	499,339	1,039,560
CURRENT ASSETS			
Stocks		67,907	66,557
Debtors	5	1,068,808	1,024,015
Cash at bank and in hand		16,771	55,811
		<u>1,153,486</u>	<u>1,146,383</u>
CREDITORS			
Amounts falling due within one year	6	<u>961,750</u>	<u>1,114,107</u>
NET CURRENT ASSETS		<u>191,736</u>	<u>32,276</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>691,075</u>	<u>1,071,836</u>
CREDITORS			
Amounts falling due after more than one year	7	(368,820)	(458,863)
PROVISIONS FOR LIABILITIES		<u>(30,000)</u>	<u>(143,794)</u>
NET ASSETS		<u><u>292,255</u></u>	<u><u>469,179</u></u>
CAPITAL AND RESERVES			
Called up share capital		7,500	7,500
Retained earnings		<u>284,755</u>	<u>461,679</u>
SHAREHOLDERS' FUNDS		<u><u>292,255</u></u>	<u><u>469,179</u></u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 26 February 2021 and were signed on its behalf by:

Mark Lockley

M A Lockley - Director

Notes to the Financial Statements

for the Period 1 January 2019 to 30 June 2020

1. STATUTORY INFORMATION

John Baxter & Sons Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The period covered by these financial statements has been extended to 18 months to 30th June 2020.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The financial statements have been prepared on the going concern basis on the grounds that the directors believe that there is sufficient funding in place to support the business for the next twelve months from the date of approval of the financial statements.

Forecasts have been prepared and post balance sheet trading conditions have been reviewed following the COVID-19 pandemic and its impact on the Company. This review has not resulted in a change in the directors' belief that the going concern basis is appropriate.

Turnover

The amount of turnover is the invoiced value of goods and services supplied to customers, excluding value added tax, arising from the principal activity of the company.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

Long leasehold	- over the term of the lease
Plant and machinery	- 10% reducing balance
Motor vehicles	- 20% on cost
Computer equipment	- 20% on cost

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Notes to the Financial Statements - continued
for the Period 1 January 2019 to 30 June 2020

2. ACCOUNTING POLICIES - continued

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for; differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Notes to the Financial Statements - continued
for the Period 1 January 2019 to 30 June 2020

2. **ACCOUNTING POLICIES - continued**

Interest receivable and interest payable

Interest payable and similar charges are recognised in the profit and loss account.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price, including any transaction costs, and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the period was 29 (2018 - 33).

4. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 January 2019	36,546	1,923,384	1,959,930
Additions	-	98,000	98,000
Disposals	(36,546)	(662,289)	(698,835)
	<hr/>	<hr/>	<hr/>
At 30 June 2020	-	1,359,095	1,359,095
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2019	29,756	890,614	920,370
Charge for period	6,790	203,706	210,496
Eliminated on disposal	(36,546)	(234,564)	(271,110)
	<hr/>	<hr/>	<hr/>
At 30 June 2020	-	859,756	859,756
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 30 June 2020	-	499,339	499,339
	<hr/>	<hr/>	<hr/>
At 31 December 2018	6,790	1,032,770	1,039,560
	<hr/>	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Period 1 January 2019 to 30 June 2020

4. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
COST	
At 1 January 2019	1,017,903
Additions	98,000
Disposals	(44,992)
At 30 June 2020	1,070,911
DEPRECIATION	
At 1 January 2019	286,786
Charge for period	87,212
Eliminated on disposal	(44,992)
At 30 June 2020	329,006
NET BOOK VALUE	
At 30 June 2020	741,905
At 31 December 2018	731,117

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2018 £
Trade debtors	658,335	508,717
Amounts owed by group undertakings	406,439	472,775
Other debtors	4,034	42,523
	<u>1,068,808</u>	<u>1,024,015</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2018 £
Hire purchase contracts	208,636	181,434
Trade creditors	206,097	439,700
Amounts owed to group undertakings	213,131	3,995
Taxation and social security	143,812	59,415
Other creditors	190,074	429,563
	<u>961,750</u>	<u>1,114,107</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2018 £
Hire purchase contracts	317,397	458,863
Other creditors	51,423	-
	<u>368,820</u>	<u>458,863</u>

Notes to the Financial Statements - continued
for the Period 1 January 2019 to 30 June 2020

8. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2018
	£	£
Hire purchase contracts	526,033	640,297
Other creditors	131,504	423,211
	<u>657,537</u>	<u>1,063,508</u>

Hire purchase liabilities are secured over the assets to which the liabilities relate.

Other creditors are secured by way of a fixed and floating charge over the assets of the company, a charge over the book debts and first legal charge over the property.

9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Anna Madden FCA (Senior Statutory Auditor)
for and on behalf of Curo Professional Services Ltd, Statutory Auditors

10. ULTIMATE PARENT COMPANY

John Baxter & Sons Limited is a wholly owned subsidiary of MLAK Limited. The registered office of MLAK Limited is at the following address.

11 Boston Road
Leicester
LE4 1AA