

**CLIFFORD PYE LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2017**

**CLIFFORD PYE LIMITED**  
**REGISTERED NUMBER:00520401**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JULY 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	4	33,417	47,244
Tangible assets	5	3,007,180	2,996,092
Investments	6	65,585	67,784
Investment property		190,000	180,000
		<u>3,296,182</u>	<u>3,291,120</u>
<b>Current assets</b>			
Stocks		309,364	317,091
Debtors: amounts falling due within one year	8	326,304	364,538
Bank & cash balances		19,737	13
		<u>655,405</u>	<u>681,642</u>
Creditors: amounts falling due within one year	9	(684,877)	(663,882)
<b>Net current (liabilities)/assets</b>		<u>(29,472)</u>	<u>17,760</u>
<b>Total assets less current liabilities</b>		<u>3,266,710</u>	<u>3,308,880</u>
Creditors: amounts falling due after more than one year	10	(440,494)	(585,158)
<b>Provisions for liabilities</b>			
Deferred tax		(122,799)	(120,875)
		<u>(122,799)</u>	<u>(120,875)</u>
<b>Net assets</b>		<u><u>2,703,417</u></u>	<u><u>2,602,847</u></u>
<b>Capital and reserves</b>			
Called up share capital		24,940	24,940
Profit and loss account		2,678,477	2,577,907
		<u><u>2,703,417</u></u>	<u><u>2,602,847</u></u>

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 JULY 2017**

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The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and 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 delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the income statement in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 March 2018.

.....  
**Mr E Pye**  
Director

.....  
**Mrs J Pye**  
Director

.....  
**Mr J Pye**  
Director

The notes on pages 3 to 14 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**1. General information**

Clifford Pye Limited is a private company listed by shares and incorporated in England and Wales, registration number 00520401. The registered office is Dix's House, Holt Road, Cawston, Norfolk, NR10 4HS.

**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.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**2.2 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.

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**2. Accounting policies (continued)**

**2.3 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model, other than investment properties, 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows:

Depreciation is provided on the following basis:

Land and buildings Freehold	- Land nil depreciation / buildings 50 years straight line
Plant & machinery	- 20% reducing balance

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 Income statement.

**2.5 Investment property**

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Income statement.

**2.6 Valuation of 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 Income statement for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of financial position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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**2. Accounting policies (continued)**

**2.7 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 reporting 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 profit or loss.

**2.8 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.

**2.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are 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.

**2.10 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.

**2.11 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.

**2.12 Finance costs**

Finance costs are charged to the Income statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.13 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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**2. Accounting policies (continued)**

**2.14 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan 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 Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**2.15 Borrowing costs**

All borrowing costs are recognised in the Income statement in the year in which they are incurred.

**2.16 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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**2. Accounting policies (continued)**

**2.17 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**3. Employees**

The average monthly number of employees, including directors, during the year was 11 (2016 - 10).



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**CLIFFORD PYE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

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**4. Intangible assets**

	Patents £	BPS entitlements £	Total £
<b>Cost</b>			
At 1 August 2016	237	69,136	69,373
At 31 July 2017	237	69,136	69,373
<b>Amortisation</b>			
At 1 August 2016	236	21,893	22,129
Charge for the year	-	13,827	13,827
At 31 July 2017	236	35,720	35,956
<b>Net book value</b>			
At 31 July 2017	<u>1</u>	<u>33,416</u>	<u>33,417</u>
<i>At 31 July 2016</i>	<u>1</u>	<u>47,243</u>	<u>47,244</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

**5. Tangible fixed assets**

	<b>Freehold property £</b>	<b>Plant &amp; machinery £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 August 2016	2,667,777	1,775,046	4,442,823
Additions	-	203,579	203,579
Disposals	-	(92,937)	(92,937)
	<hr/>	<hr/>	<hr/>
At 31 July 2017	2,667,777	1,885,688	4,553,465
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 August 2016	356,999	1,089,732	1,446,731
Charge for the year on owned assets	5,011	167,265	172,276
Disposals	-	(72,722)	(72,722)
	<hr/>	<hr/>	<hr/>
At 31 July 2017	362,010	1,184,275	1,546,285
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 July 2017	<u>2,305,767</u>	<u>701,413</u>	<u>3,007,180</u>
<b>At 31 July 2016</b>	<u>2,310,778</u>	<u>685,314</u>	<u>2,996,092</u>

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CLIFFORD PYE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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6. Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 August 2016	67,784
Revaluations	(2,199)
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At 31 July 2017	65,585
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<b>Net book value</b>	
At 31 July 2017	65,585
<i>At 31 July 2016</i>	<u><u>67,784</u></u>

7. Investment property

	Freehold investment property £
<b>Valuation</b>	
At 1 August 2016	180,000
Surplus on revaluation	10,000
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<b>At 31 July 2017</b>	<u><u>190,000</u></u>

The 2017 valuations were made by the director, Mr J Pye., on an open market value for existing use basis.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

**8. Debtors**

	2017 £	2016 £
Trade debtors	270,327	321,377
Other debtors	-	26,175
Prepayments and accrued income	55,977	16,986
	<u>326,304</u>	<u>364,538</u>

**9. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Bank overdrafts	-	72,535
Bank loans	113,510	111,510
Trade creditors	182,532	101,913
Corporation tax	17,889	16,740
Other taxation and social security	17,506	7,184
Obligations under finance lease and hire purchase contracts	69,475	70,559
Other creditors	211,969	200,540
Accruals and deferred income	71,996	82,901
	<u>684,877</u>	<u>663,882</u>

**10. Creditors: Amounts falling due after more than one year**

	2017 £	2016 £
Bank loans	357,294	471,482
Net obligations under finance leases and hire purchase contracts	83,200	113,676
	<u>440,494</u>	<u>585,158</u>

**Secured loans**

The bank loans and overdrafts are secured against property owned by the company. Net obligations under hire purchase contracts are secured upon the assets to which they relate.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017

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**11. Loans**

Analysis of the maturity of loans is given below:

	2017 £	2016 £
<b>Amounts falling due within one year</b>		
Bank loans	113,510	111,510
	<u>113,510</u>	<u>111,510</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	357,294	471,482
	<u>357,294</u>	<u>471,482</u>
	<u><u>470,804</u></u>	<u><u>582,992</u></u>

**12. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	69,475	70,559
Between 1-2 years	69,475	49,975
Between 2-5 years	13,725	63,701
	<u>152,675</u>	<u>184,235</u>

CLIFFORD PYE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 August 2015. The impact of the transition to FRS 102 is as follows:

	As previously stated 1 August 2015	Effect of transition 1 August 2015	FRS 102 (as restated) 1 August 2015	As previously stated 31 July 2016	Effect of transition 31 July 2016	FRS 102 (as restated) 31 July 2016
Note	£	£	£	£	£	£
Fixed assets	-	3,147,371	3,147,371	-	3,291,120	3,291,120
Current assets	-	659,559	659,559	-	681,644	681,644
Creditors: amounts falling due within one year	-	(645,239)	(645,239)	-	(663,883)	(663,883)
<b>Net current assets</b>	-	14,320	14,320	-	17,761	17,761
<b>Total assets less current liabilities</b>	-	3,161,691	3,161,691	-	3,308,881	3,308,881
Creditors: amounts falling due after more than one year	-	(667,434)	(667,434)	-	(585,158)	(585,158)
Provisions for liabilities	-	(104,501)	(104,501)	-	(120,875)	(120,875)
<b>Net assets</b>	-	2,389,756	2,389,756	-	2,602,848	2,602,848
Capital and reserves	-	2,389,756	2,389,756	-	2,602,848	2,602,848

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2017**

**13. First time adoption of FRS 102 (continued)**

	<i>As previously stated 31 July 2016 £</i>	<i>Effect of transition 31 July 2016 £</i>	<b>FRS 102 (as restated) 31 July 2016 £</b>
Note			
Turnover	1,593,736	-	1,593,736
Cost of sales	(851,066)	-	(851,066)
	<u>742,670</u>	<u>-</u>	<u>742,670</u>
Administrative expenses	(571,503)	1,600	(569,903)
Other operating income	13,927	79,905	93,832
	<u>185,094</u>	<u>81,505</u>	<u>266,599</u>
<b>Operating profit</b>	<b>1,571</b>	<b>-</b>	<b>1,571</b>
Income from investments	(21,964)	-	(21,964)
Interest payable and similar charges	(33,114)	-	(33,114)
Taxation	(33,114)	-	(33,114)
	<u>131,587</u>	<u>81,505</u>	<u>213,092</u>
<b>Profit on ordinary activities after taxation and for the financial year</b>	<b>131,587</b>	<b>81,505</b>	<b>213,092</b>

Explanation of changes to previously reported profit and equity:

1 BPS entitlements have been brought in at fair value and amortised over their useful life of 5 years. Investments (including investment property) have been revalued to market value, with the corresponding gain/loss being posted through the statement of profit or loss.

