

CLIFFORD PYE LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

CLIFFORD PYE LIMITED
REGISTERED NUMBER:00520401

STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	4	19,590	33,417
Tangible assets	5	2,945,156	3,007,180
Investments	6	80,303	65,585
Investment property	7	190,000	190,000
		<u>3,235,049</u>	<u>3,296,182</u>
Current assets			
Stocks		303,858	309,364
Debtors: amounts falling due within one year	8	382,294	326,305
Bank & cash balances		61,730	19,737
		<u>747,882</u>	<u>655,406</u>
Creditors: amounts falling due within one year	9	(680,225)	(684,878)
Net current assets/(liabilities)		<u>67,657</u>	<u>(29,472)</u>
Total assets less current liabilities		<u>3,302,706</u>	<u>3,266,710</u>
Creditors: amounts falling due after more than one year	10	(245,072)	(440,494)
Provisions for liabilities			
Deferred tax		(131,540)	(122,799)
		<u>(131,540)</u>	<u>(122,799)</u>
Net assets		<u><u>2,926,094</u></u>	<u><u>2,703,417</u></u>
Capital and reserves			
Called up share capital		24,940	24,940
Profit and loss account		2,901,154	2,678,477
		<u><u>2,926,094</u></u>	<u><u>2,703,417</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JULY 2018

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 by:

.....
Mr E Pye
Director

.....
Mrs J Pye
Director

.....
Mr J Pye
Director

.....
Mrs K Friend
Director

Date: 5 April 2019

The notes on pages 3 to 10 form part of these financial statements.

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

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 2018

2. Accounting policies (continued)

2.3 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.

2.4 Borrowing costs

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

2.5 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.

2.6 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.

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

2. Accounting policies (continued)

2.7 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.

2.8 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.

2.9 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.

2.10 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 2018

2. Accounting policies (continued)

2.11 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.

2.12 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.

2.13 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.

2.14 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.

2.15 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.

2.16 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.

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

2. Accounting policies (continued)**2.17 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.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2017 - 11).

4. Intangible assets

	Patents £	BPS entitlements £	Total £
Cost			
At 1 August 2017	237	69,136	69,373
At 31 July 2018	237	69,136	69,373
Amortisation			
At 1 August 2017	236	35,720	35,956
Charge for the year	-	13,827	13,827
At 31 July 2018	236	49,547	49,783
Net book value			
At 31 July 2018	<u>1</u>	<u>19,589</u>	<u>19,590</u>
At 31 July 2017	<u>1</u>	<u>33,416</u>	<u>33,417</u>

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

5. Tangible fixed assets

	Freehold property £	Plant & machinery £	Total £
Cost or valuation			
At 1 August 2017	2,667,776	1,885,688	4,553,464
Additions	4,500	106,223	110,723
Disposals	-	(22,707)	(22,707)
	<u>2,672,276</u>	<u>1,969,204</u>	<u>4,641,480</u>
At 31 July 2018			
Depreciation			
At 1 August 2017	362,010	1,184,275	1,546,285
Charge for the year on owned assets	4,966	152,306	157,272
Disposals	-	(7,233)	(7,233)
	<u>366,976</u>	<u>1,329,348</u>	<u>1,696,324</u>
At 31 July 2018			
Net book value			
At 31 July 2018	<u>2,305,300</u>	<u>639,856</u>	<u>2,945,156</u>
<i>At 31 July 2017</i>	<u>2,305,766</u>	<u>701,414</u>	<u>3,007,180</u>

6. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 August 2017	65,585
Revaluations	14,718
	<u>80,303</u>
At 31 July 2018	

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

7. Investment property

	Freehold investment property £
Valuation	
At 1 August 2017	190,000
At 31 July 2018	190,000

The 2018 valuations were made by the director, Mr J Pye, on an open market value for existing use basis.

8. Debtors

	2018 £	2017 £
Trade debtors	362,462	270,328
Other debtors	39	-
Prepayments and accrued income	19,793	55,977
	<u>382,294</u>	<u>326,305</u>

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	120,465	113,510
Trade creditors	157,636	182,533
Corporation tax	60,868	17,889
Other taxation and social security	4,752	17,506
Obligations under finance lease and hire purchase contracts	69,475	69,475
Other creditors	208,101	211,969
Accruals and deferred income	58,928	71,996
	<u>680,225</u>	<u>684,878</u>

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

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

	2018 £	2017 £
Bank loans	231,347	357,294
Net obligations under finance leases and hire purchase contracts	13,725	83,200
	<u>245,072</u>	<u>440,494</u>

11. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Bank loans	120,465	113,510
	<u>120,465</u>	<u>113,510</u>
Amounts falling due after more than 5 years		
Bank loans	231,347	357,294
	<u>231,347</u>	<u>357,294</u>
	<u>351,812</u>	<u>470,804</u>

12. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	69,475	69,475
Between 1-2 years	13,725	69,475
Between 2-5 years	-	13,725
	<u>83,200</u>	<u>152,675</u>

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