

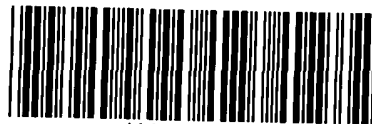
ELLESMERE SAND & GRAVEL CO. LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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ELLESMERE SAND & GRAVEL CO. LIMITED
REGISTERED NUMBER: 0617910

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	-	35,142
Tangible assets	6	6,651,691	5,254,222
Investments	7	258,601	242,155
		<u>6,910,292</u>	<u>5,531,519</u>
Current assets			
Stocks	8	224,536	212,943
Debtors: amounts falling due within one year	9	1,112,212	528,421
Cash at bank and in hand	10	100	177,383
		<u>1,336,848</u>	<u>918,747</u>
Creditors: amounts falling due within one year	11	(2,771,844)	(1,005,446)
Net current liabilities		<u>(1,434,996)</u>	<u>(86,699)</u>
Total assets less current liabilities		<u>5,475,296</u>	<u>5,444,820</u>
Creditors: amounts falling due after more than one year	12	(209,987)	(529,422)
Provisions for liabilities			
Deferred tax	15	(82,273)	(82,500)
		<u>(82,273)</u>	<u>(82,500)</u>
Net assets		<u><u>5,183,036</u></u>	<u><u>4,832,898</u></u>

ELLESMERE SAND & GRAVEL CO. LIMITED
REGISTERED NUMBER: 0617910

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		7,500	7,500
Capital redemption reserve	16	2,500	2,500
Profit and loss account	16	5,173,036	4,822,898
		<u>5,183,036</u>	<u>4,832,898</u>

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 statement of comprehensive income 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:


W M Griffiths
Director

Date:

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

ELLESMERE SAND & GRAVEL CO. LIMITED

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

1. General information

Ellesmere Sand & Gravel Co Limited is an incorporated Company domiciled in the UK and has a registered office and principal place of business at Wood Lane, Ellesmere, Shropshire, SY12 0HY.

The principal activity of the company is that of the sale of sand and gravel and leisure activities.

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 following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue 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 revenue 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

Revenue 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 revenue 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.

ELLESMERE SAND & GRAVEL CO. LIMITED

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

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

Other 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 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, using the straight line and reducing balance methods.

Depreciation is provided on the following basis:

Freehold Property	- Not depreciated
L/Term Leasehold Property	- 5% straight line
Plant & Equipment	- 20% reducing balance
Motor Vehicles	- 25% 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 Statement of comprehensive income.

ELLESMERE SAND & GRAVEL CO. LIMITED

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

2. Accounting policies (continued)

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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 Statement of comprehensive income 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.

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 weighted average 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.

2.7 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 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.

2.9 Financial instruments

The Company only enters into basic financial instruments 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 Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is

ELLESMERE SAND & GRAVEL CO. LIMITED

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

2. Accounting policies (continued)

2.9 Financial instruments (continued)

an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income 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.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.13 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

ELLESMERE SAND & GRAVEL CO. LIMITED

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

2. Accounting policies (continued)

2.14 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 Statement of comprehensive income 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.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the relates actual results. In the opinion of the directors there are no estimates nor assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

ELLESMERE SAND & GRAVEL CO. LIMITED

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

4. Employees

The average monthly number of employees, including directors, during the year was 13 (2016 - 13).

5. Intangible assets

	Goodwill £
Cost	
At 1 April 2016	702,992
At 31 March 2017	<u>702,992</u>
Amortisation	
At 1 April 2016	667,850
Charge for the year	35,142
At 31 March 2017	<u>702,992</u>
Net book value	
At 31 March 2017	-
At 31 March 2016	<u><u>35,142</u></u>

ELLESMERE SAND & GRAVEL CO. LIMITED

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

6. Tangible fixed assets

	Freehold property £	L/Term Leasehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
Cost or valuation					
At 1 April 2016	4,082,117	893,280	1,777,141	65,500	6,818,038
Additions	1,510,850	6,671	88,198	-	1,605,719
At 31 March 2017	5,592,967	899,951	1,865,339	65,500	8,423,757
Depreciation					
At 1 April 2016	-	450,682	1,080,927	32,207	1,563,816
Charge for the year on owned assets	-	44,831	154,813	8,606	208,250
At 31 March 2017	-	495,513	1,235,740	40,813	1,772,066
Net book value					
At 31 March 2017	5,592,967	404,438	629,599	24,687	6,651,691
At 31 March 2016	4,082,117	442,598	696,214	33,293	5,254,222

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	338,812	355,846
	338,812	355,846

ELLESMERE SAND & GRAVEL CO. LIMITED

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

7. Fixed asset investments

	Unlisted Investments £
Cost or valuation	
At 1 April 2016	242,155
Disposals	16,446
At 31 March 2017	<u>258,601</u>
 Net book value	
At 31 March 2017	<u>258,601</u>
At 31 March 2016	<u>242,155</u>

8. Stocks

	2017 £	2016 £
Raw materials and consumables	224,536	212,943
	<u>224,536</u>	<u>212,943</u>

Stock recognised in cost of sales during the year as an expense was £766,813 (2016 - £668,841).

ELLESMERE SAND & GRAVEL CO. LIMITED

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

9. Debtors

	2017 £	2016 £
Trade debtors	1,112,212	520,371
Other debtors	-	3
Prepayments and accrued income	-	8,047
	<u>1,112,212</u>	<u>528,421</u>

10. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	100	177,383
Less: bank overdrafts	(67,007)	-
	<u>(66,907)</u>	<u>177,383</u>

11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdrafts	67,007	-
Bank loans	1,740,000	140,000
Trade creditors	550,215	401,647
Corporation tax	17,839	58,100
Other taxation and social security	114,365	86,865
Obligations under finance lease and hire purchase contracts	89,863	97,926
Other creditors	192,555	220,908
	<u>2,771,844</u>	<u>1,005,446</u>

ELLESMERE SAND & GRAVEL CO. LIMITED

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

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

	2017	2016
	£	£
Bank loans	93,333	233,333
Net obligations under finance leases and hire purchase contracts	116,654	159,526
Other creditors	-	136,563
	<u>209,987</u>	<u>529,422</u>

13. Loans

Analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due within one year		
Bank loans	1,740,000	140,000
	<u>1,740,000</u>	<u>140,000</u>
Amounts falling due 1-2 years		
Bank loans	93,333	233,333
	<u>93,333</u>	<u>233,333</u>
	<u>1,833,333</u>	<u>373,333</u>

As at 31 March 2017 £1.6m of the above related to a development loan which was refinanced after the balance sheet date.

ELLESMERE SAND & GRAVEL CO. LIMITED

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

14. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at amortised cost	1,370,813	762,529
	<u>1,370,813</u>	<u>762,529</u>
Financial liabilities		
Financial liabilities measured at amortised cost	2,754,004	947,346
	<u>2,754,004</u>	<u>947,346</u>

Financial assets measured at amortised cost comprise of unlisted investments, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise of bank overdrafts, trade creditors, other creditors, accruals and bank loans.

15. Deferred taxation

	2017 £
At beginning of year	(82,500)
Charged to profit or loss	227
At end of year	<u>(82,273)</u>

The provision for deferred taxation is made up as follows:

	2017 £
Accelerated capital allowances	(82,274)
	<u>(82,274)</u>

ELLESMERE SAND & GRAVEL CO. LIMITED

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

16. Reserves

Profit & loss account

The profit and loss account represents the accumulated profits of the Company since incorporation less distributions made to shareholders.

17. Related party transactions

Sales to common control entities during the year totalled £803,147 (2016: £122,201) and purchases totalled £1,995,413 (2016: £674,102). The net amount owed from such entities at the year end was £461,235 (2016: -£195,541).

18. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.