

A G WAUGH AND SONS LIMITED

Filleted Annual Report and Unaudited Financial Statements
for the Year Ended 28 February 2021



A G Waugh and Sons Limited

Contents

Company Information	1
Statement of Financial Position	2
Notes to the Unaudited Financial Statements	3 to 7

A G Waugh and Sons Limited

Company Information

Directors	Mrs E. D. Waugh S. G. Waugh
Company secretary	S. G. Waugh
Registered office	Molesden House Molesden Morpeth Northumberland NE61 3QF
Solicitors	Eversheds Central Square South Orchard Street Newcastle upon Tyne NE1 3XX
Accountants	MHA Tait Walker Chartered Accountants 10 Manchester Street Morpeth Northumberland NE61 1BH

A G Waugh and Sons Limited

(Registration number: 00714598)

Statement of Financial Position as at 28 February 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	327,224	326,304
Current assets			
Stocks	5	19,790	38,670
Debtors	6	6,921	7,942
		<u>26,711</u>	<u>46,612</u>
Creditors: Amounts falling due within one year	7	<u>(472,607)</u>	<u>(488,109)</u>
Net current liabilities		<u>(445,896)</u>	<u>(441,497)</u>
Net liabilities		<u>(118,672)</u>	<u>(115,193)</u>
Capital and reserves			
Called up share capital		30,000	30,000
Share premium reserve		404	404
Revaluation reserve		72,253	72,253
Profit and loss account		<u>(221,329)</u>	<u>(217,850)</u>
Total equity		<u>(118,672)</u>	<u>(115,193)</u>

For the financial year ending 28 February 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

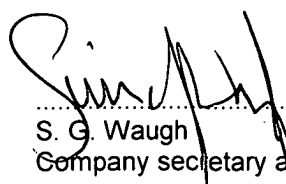
Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and the option not to file the Income Statement has been taken.

Approved and authorised by the Board on 19/10/21 and signed on its behalf by:


S. G. Waugh
Company secretary and director

The notes on pages 3 to 7 form an integral part of these financial statements.

A G Waugh and Sons Limited

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Molesden House, Molesden, Morpeth, Northumberland, NE61 3QF.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis.

The company meets its day to day working capital requirements through cash generated from operations.

The company's forecasts and projections for the next twelve months show that the company should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact.

If the going concern basis proved to be invalid, the financial statements would have to be prepared on a break up basis in which the balance sheet would be restated to include all assets at estimated realisable value and all liabilities would become current and would have to be increased to include those liabilities contingent on the company ceasing to trade.

Revenue recognition

Turnover represents the value of goods sold and services provided during the year net of discounts, returns and Value Added Tax. For goods sold, turnover is recognised when the goods are physically delivered to the customer and for services provided, turnover is recognised to the extent that and when there is a right to consideration.

A G Waugh and Sons Limited

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2021 (continued)

2 Accounting policies (continued)

Government grants

Government grants relating to the costs incurred by the company are recognised in the income statement over the period necessary to match them with costs that they are intended to compensate. Government grants are presented separately and disclosed in Other operating income in the income statement.

Other operating income includes the UK Government assistance provided through Coronavirus Job Retention Scheme during the Covid-19 pandemic.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Property improvements	1% straight line
Plant and equipment	20% reducing balance
Implements	15% reducing balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

A G Waugh and Sons Limited

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2021 (continued)

2 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset.

Finance leases and hire purchase contracts

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance costs in the Income Statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2020 - 4).

A G Waugh and Sons Limited

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2021 (continued)

4 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Total £
Cost or valuation				
At 1 March 2020	322,088	5,706	138,818	466,612
Additions	-	-	4,448	4,448
At 28 February 2021	322,088	5,706	143,266	471,060
Depreciation				
At 1 March 2020	7,688	5,687	126,933	140,308
Charge for the year	396	3	3,129	3,528
At 28 February 2021	8,084	5,690	130,062	143,836
Carrying amount				
At 28 February 2021	314,004	16	13,204	327,224
At 29 February 2020	314,400	19	11,885	326,304

Included within the net book value of land and buildings above is £314,004 (2020 - £314,400) in respect of freehold land and buildings.

5 Stocks

	2021 £	2020 £
Other inventories	19,790	38,670

6 Debtors

	2021 £	2020 £
Trade debtors	750	877
Other debtors	6,171	7,065
	6,921	7,942

A G Waugh and Sons Limited

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2021 (continued)

7 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Bank loans and overdrafts	8	335,698	338,911
Trade creditors		8,918	6,729
Taxation and social security		16,665	7,010
Other creditors		111,326	135,459
		<u>472,607</u>	<u>488,109</u>

8 Loans and borrowings

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	89,826	89,914
Bank overdrafts	<u>245,872</u>	<u>248,997</u>
	<u>335,698</u>	<u>338,911</u>

9 Related party transactions

Transactions with directors

	At 1 March 2020 £	Advances to directors £	Repayments by director £	At 28 February 2021 £
2021				
S. G. Waugh				
Loan to the company	<u>17,415</u>	<u>11,373</u>	<u>(12,388)</u>	<u>16,400</u>
Mrs E. D. Waugh				
Loan to the company	<u>(98,453)</u>	<u>16,910</u>	<u>-</u>	<u>(81,543)</u>