

COMPANY REGISTRATION NUMBER: 00943697

S E Davis & Son Limited
Filleted Financial Statements
30 November 2020

S E Davis & Son Limited

Financial Statements

Year ended 30 November 2020

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S E Davis & Son Limited

Statement of Financial Position

30 November 2020

		2020		2019
	Note	£	£	£
Fixed assets				
Tangible assets	5	8,459,708		8,603,745
Current assets				
Stocks		95,341		159,059
Debtors	6	3,428,024		2,651,471
Cash at bank and in hand		3,993,191		3,803,939
		7,516,556		6,614,469
Creditors: amounts falling due within one year	7	1,421,365		1,637,480
Net current assets			6,095,191	4,976,989
Total assets less current liabilities			14,554,899	13,580,734
Provisions				
Taxation including deferred tax		464,226		351,918
Net assets		14,090,673		13,228,816
Capital and reserves				
Called up share capital	8	220		220
Fair value reserve - Non distributable		201,415		185,215
Profit and loss account		13,889,038		13,043,381
Shareholders funds		14,090,673		13,228,816

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

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.

These financial statements were approved by the board of directors and authorised for issue on 15 November 2021, and are signed on behalf of the board by:

S T Davis S E Curling

Director Director

Company registration number: 00943697

S E Davis & Son Limited

Notes to the Financial Statements

Year ended 30 November 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Sandhills Farm, Edgioake Lane, Astwood Bank, Redditch, Worcs, B96 6BG.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investment properties measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover represents sales of goods, hire of equipment and washing and recycling of aggregates, net of VAT and trade discounts. Turnover is recognised when goods or service is delivered to the customer.

Tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis. Lease income is recognised in profit or loss on a straight line basis over the lease term.

Tangible assets

Tangible assets other than investment properties are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Buildings	-	2%/3.33% straight line from date of purchase
Plant and Machinery	-	25% reducing balance from date of purchase
Motor Vehicles	-	25% reducing balance from date of purchase

Buildings under construction are not depreciated.

Investment properties

Investment properties are revalued to their fair value at each reporting date and any changes in fair value are recognised in profit or loss. The directors who are not professionally qualified valuers, have considered the value of properties in the vicinity to ascertain the fair value of the investment properties.

Research and development

Research and development expenditure is written off in the period in which it is incurred.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

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.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the accrual model.

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.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into, either as financial assets, financial liabilities or equity interests. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The company operates a defined contribution plan for the benefit of its employees. Contributions are recognised as an expense in the period in which the related service is provided.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 41 (2019: 48).

5. Tangible assets

	Buildings	Plant and machinery	Motor vehicles	Investment properties	Total
	£	£	£	£	£
Cost or valuation					
At 1 December 2019	1,284,757	13,891,084	1,175,971	1,865,000	18,216,812
Additions	376,555	1,329,863	123,615	–	1,830,033
Disposals	–	(963,463)	(606,142)	–	(1,569,605)
Revaluations	–	–	–	20,000	20,000
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At 30 November 2020	1,661,312	14,257,484	693,444	1,885,000	18,497,240
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Depreciation					
At 1 December 2019	98,641	8,775,904	738,522	–	9,613,067
Charge for the year	18,759	1,323,862	65,500	–	1,408,121
Disposals	–	(624,926)	(358,730)	–	(983,656)
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At 30 November 2020	117,400	9,474,840	445,292	–	10,037,532
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Carrying amount					
At 30 November 2020	1,543,912	4,782,644	248,152	1,885,000	8,459,708
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At 30 November 2019	1,186,116	5,115,180	437,449	1,865,000	8,603,745
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Investment properties have been valued at the balance sheet dates by the directors.

6. Debtors

	2020	2019
	£	£
Trade debtors	2,405,983	1,703,161
Other debtors	1,022,041	948,310
	<u>3,428,024</u>	<u>2,651,471</u>

The debtors above include the following amounts falling due after more than one year:

	2020	2019
	£	£
Trade debtors	238,695	—
Other debtors	179,597	167,259
	<u>418,292</u>	<u>167,259</u>

7. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	43	15,059
Trade creditors	537,847	725,642
Social security and other taxes	271,783	277,760
Other creditors	611,692	619,019
	<u>1,421,365</u>	<u>1,637,480</u>

Other creditors include a loan of £90,000 (2019 - £90,000) which is secured by a floating charge over the company's assets.

8. Called up share capital

Issued, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary shares of £ 1 each	100	100	100	100
Ordinary - Non Voting Redeemable shares of £ 1 each	120	120	120	120
	<u>220</u>	<u>220</u>	<u>220</u>	<u>220</u>

9. Other financial commitments

The company had total commitments at the balance sheet date of £ 350,658 (2019 - £ 209,184).

10. Events after the end of the reporting period

The business has continued to trade despite Covid-19 and has not experienced any significant downturn in its trade. It is expected that the profit before tax for the year ended 30 November 2021 will not reduce, compared to the previous year.

11. Summary audit opinion

The auditor's report for the year dated 17 November 2021 was unqualified.

The senior statutory auditor was Michael Holder , for and on behalf of Rigbey Harrison .

12. Directors' advances, credits and guarantees

Advances to directors at the start of the year were £ 513,767 and repayments of £ 19,767 were made during the year. The balance at the year end was £ 493,980 and is included in other debtors. The loans are repayable on demand and interest is payable at HMRC's official rate.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.