

Company registration number 01027093 (England and Wales)

SWEETING BROTHERS (LAND DRAINAGE) LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

PAGES FOR FILING WITH REGISTRAR

SWEETING BROTHERS (LAND DRAINAGE) LIMITED

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SWEETING BROTHERS (LAND DRAINAGE) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2022

		2022	2021
	Notes	£	£
Fixed assets			
Tangible assets	4	1,839,868	1,660,822
Investments	5	615,507	601,754
		<u>2,455,375</u>	<u>2,262,576</u>
Current assets			
Stocks		121,522	89,378
Debtors	6	594,196	692,289
Cash at bank and in hand		334	334
		<u>716,052</u>	<u>782,001</u>
Creditors: amounts falling due within one year	7	<u>(1,218,037)</u>	<u>(1,459,493)</u>
Net current liabilities		<u>(501,985)</u>	<u>(677,492)</u>
Total assets less current liabilities		<u>1,953,390</u>	<u>1,585,084</u>
Creditors: amounts falling due after more than one year	8	(187,209)	(107,899)
Provisions for liabilities		<u>(394,126)</u>	<u>(337,498)</u>
Net assets		<u>1,372,055</u>	<u>1,139,687</u>
Capital and reserves			
Called up share capital		300	300
Profit and loss reserves		<u>1,371,755</u>	<u>1,139,387</u>
Total equity		<u>1,372,055</u>	<u>1,139,687</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 September 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

SWEETING BROTHERS (LAND DRAINAGE) LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 SEPTEMBER 2022

The financial statements were approved by the board of directors and authorised for issue on 14 June 2023 and are signed on its behalf by:

L Sweeting

Director

D L Sweeting

Director

Company Registration No. 01027093

SWEETING BROTHERS (LAND DRAINAGE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

Company information

Sweeting Brothers (Land Drainage) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 20-24 Park Street, Selby, North Yorkshire, YO8 4PW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of subsidiary investments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT. The fair value of consideration takes into account trade discounts and settlement discounts.

Revenue from contracts for the provision of land drainage services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% reducing balance
Plant and machinery	5% reducing balance
Fixtures and fittings	33% reducing balance
Motor vehicles	20% reducing balance

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

SWEETING BROTHERS (LAND DRAINAGE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are only 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. Such assets and liabilities are not recognised if the timing difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

SWEETING BROTHERS (LAND DRAINAGE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Amounts owed by customers on long-term contracts

The company undertakes work on long-term contracts which are at various degrees of completion at a year end. Management carries out an assessment of the stage of completeness of each of these contracts as at each balance sheet date to estimate the representative turnover and profit to recognise. Valuations are based on the overall value of each contract, knowledge of the work being undertaken on each contract up to the year end, activity on each contract since the year and management's previous experience on similar contracts including those that have been completed. The profitability of each contract is sensitive to cost variances arising either as a result of unforeseen issues on the contract or from changes to market rates.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	22	22

4 Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 October 2021	248,743	2,603,962	27,840	272,004	3,152,549
Additions	-	340,883	981	69,655	411,519
Disposals	-	(167,111)	-	(13,500)	(180,611)
At 30 September 2022	248,743	2,777,734	28,821	328,159	3,383,457
Depreciation					
At 1 October 2021	29,768	1,292,691	23,767	145,501	1,491,727
Depreciation charged in the year	2,137	142,119	1,403	34,622	180,281
Eliminated in respect of disposals	-	(117,774)	-	(10,645)	(128,419)
At 30 September 2022	31,905	1,317,036	25,170	169,478	1,543,589
Carrying amount					
At 30 September 2022	216,838	1,460,698	3,651	158,681	1,839,868
At 30 September 2021	218,975	1,311,271	4,073	126,503	1,660,822

SWEETING BROTHERS (LAND DRAINAGE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

5	Fixed asset investments	2022	2021
		£	£
	Shares in group undertakings and participating interests	615,507	601,754
		<u> </u>	<u> </u>
	Movements in fixed asset investments		
			Shares in subsidiaries
			£
	Cost or valuation		
	At 1 October 2021 & 30 September 2022		729,818
			<u> </u>
	Impairment		
	At 1 October 2021		128,064
	Impairment loss reversals		(13,753)
			<u> </u>
	At 30 September 2022		114,311
			<u> </u>
	Carrying amount		
	At 30 September 2022		615,507
			<u> </u>
	At 30 September 2021		601,754
			<u> </u>
6	Debtors	2022	2021
		£	£
	Amounts falling due within one year:		
	Trade debtors	549,124	618,360
	Other debtors	45,072	73,929
		<u> </u>	<u> </u>
		594,196	692,289
		<u> </u>	<u> </u>
7	Creditors: amounts falling due within one year	2022	2021
		£	£
	Bank loans and overdrafts	122,774	271,893
	Trade creditors	304,358	345,823
	Amounts owed to group undertakings	295,862	298,925
	Taxation and social security	46,143	76,970
	Other creditors	448,900	465,882
		<u> </u>	<u> </u>
		1,218,037	1,459,493
		<u> </u>	<u> </u>

SWEETING BROTHERS (LAND DRAINAGE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

8 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Other creditors	187,209	107,899
	<u> </u>	<u> </u>

Amounts due under hire purchase agreements, included in other creditors, are secured on the assets to which they relate.

The bank loan and overdraft is secured by a fixed and floating charge over the company's and its subsidiary's assets.

9 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2022	2021
	£	£
Acquisition of tangible fixed assets	-	49,240
	<u> </u>	<u> </u>

10 Related party transactions

Other information

A debenture was executed on 23 June 2016 in favour of the company's bankers comprising a fixed and floating charge and a guarantee was executed at the same date covering financial indebtedness between the company's bankers, the company and the company's subsidiary, Fen Ditching Limited.

The company acts as guarantor in respect of the subsidiary company's lease on its business premises.

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.