

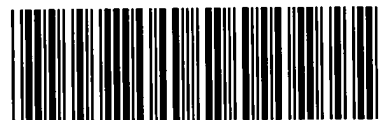
# **Alfred Bagnall & Sons (Midlands) Limited**

Registered number: 01042421

## **Financial statements**

**For the year ended 31 December 2017**

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COMPANIES HOUSE

**ALFRED BAGNALL & SONS (MIDLANDS) LIMITED**  
**REGISTERED NUMBER: 01042421**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	4	13,771	34,484
		<u>13,771</u>	<u>34,484</u>
<b>Current assets</b>			
Debtors		830,585	562,899
Cash at bank and in hand		53,925	60,940
		<u>884,510</u>	<u>623,839</u>
Creditors: amounts falling due within one year		(298,605)	(156,637)
<b>Net current assets</b>		<u>585,905</u>	<u>467,202</u>
<b>Total assets less current liabilities</b>		<u>599,676</u>	<u>501,686</u>
Creditors: amounts falling due after more than one year		(1,841,000)	(1,911,000)
<b>Net liabilities</b>		<u>(1,241,324)</u>	<u>(1,409,314)</u>
<b>Capital and reserves</b>			
Called up share capital		5,000	5,000
Profit and loss account		(1,246,324)	(1,414,314)
		<u>(1,241,324)</u>	<u>(1,409,314)</u>

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 on

4<sup>th</sup> June 2018.



**G S Johnson**  
Director

The notes on pages 2 to 8 form part of these financial statements.

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# **ALFRED BAGNALL & SONS (MIDLANDS) LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **1. General information**

Alfred Bagnall & Sons (Midlands) Limited ("the Company") is a limited company incorporated in the United Kingdom. The company's principal activity is that of painting contractors. The address of its registered office is 6 Manor Lane, Shipley, West Yorkshire, BD18 3RD.

### **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 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Alfred Bagnall and Sons Limited as at 31 December 2017 and these financial statements may be obtained from 6 Manor Lane, Shipley, West Yorkshire, BD18 3RD.

#### **2.3 Going concern**

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

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future based on the forecasts prepared therefore they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The company continues to benefit from the financial support of its parent undertaking.

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# ALFRED BAGNALL & SONS (MIDLANDS) LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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### 2. Accounting policies (continued)

#### 2.4 Revenue

Revenue for the year represents applications or invoices to customers for payment for work carried out, adjusted where necessary for any accrued income relating to long-term contract balances, exclusive of VAT and trade discounts.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account revenue and related costs as contract activity progresses. Revenue is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract.

##### 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.

#### 2.5 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 method.

The estimated useful life is as follows:

Motor vehicles	- 3 years
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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.

#### 2.6 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.

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# **ALFRED BAGNALL & SONS (MIDLANDS) LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **2. Accounting policies (continued)**

#### **2.7 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.

#### **2.8 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 loans to related parties.

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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

#### **2.9 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.

#### **2.10 Grants received**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

#### **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.

#### **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.

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# **ALFRED BAGNALL & SONS (MIDLANDS) LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **2. Accounting policies (continued)**

#### **2.13 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 Statement of Comprehensive Income 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.

#### **2.14 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

#### **2.15 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

#### **2.16 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.

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# **ALFRED BAGNALL & SONS (MIDLANDS) LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **2. Accounting policies (continued)**

#### **2.17 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. Employees**

The average monthly number of employees, including directors, during the year was 49 (2016 - 44).

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## ALFRED BAGNALL & SONS (MIDLANDS) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 4. Tangible fixed assets

	Motor vehicles £
<b>Cost or valuation</b>	
At 1 January 2017	57,537
At 31 December 2017	<u>57,537</u>
<b>Depreciation</b>	
At 1 January 2017	23,052
Charge for the year on owned assets	20,713
At 31 December 2017	<u>43,765</u>
<b>Net book value</b>	
At 31 December 2017	<u>13,772</u>
At 31 December 2016	<u>34,484</u>

#### 5. Commitments under operating leases

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	53,795	34,965
Later than 1 year and not later than 5 years	97,594	44,838
	<u>151,389</u>	<u>79,803</u>

#### 6. Controlling party

The company is controlled by Alfred Bagnall and Sons Limited, the ultimate parent company, registered in England and Wales. It has no single individual controlling party.

Alfred Bagnall and Sons Limited prepares group financial statements and copies can be obtained from 6 Manor Lane, Shipley, West Yorkshire, BD18 3RD.



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## **ALFRED BAGNALL & SONS (MIDLANDS) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017**

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#### **7. Auditor's information**

The Independent Auditors' Report was unqualified. The auditors were Mazars LLP and Shaun Mullins (Senior Statutory Auditor) signed the auditor's report for and on behalf of Mazars LLP.