



# Abbreviated accounts

## J A Jones & Sons (Churchtown) Limited

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**For the year ended 30 September 2010**

THURSDAY



A08      \*AAQMRPEQ\*      459  
25/11/2010  
COMPANIES HOUSE

**Company No 1697442**

## Company information

<b>Company registration number</b>	1697442
<b>Registered office</b>	99 Bankfield Lane Southport Merseyside PR9 7NT
<b>Directors</b>	C I Hesketh N C Aubrey S A Jones M G Vickers
<b>Secretary</b>	S Trebble
<b>Bankers</b>	National Westminster Bank plc PO Box 54 35 Fishergate Preston Lancashire PR1 2BY
<b>Solicitors</b>	Hammonds LLP Trinity Court 16 John Dalton Street Manchester M60 8HS
<b>Accountants</b>	Grant Thornton UK LLP Chartered Accountants Royal Liver Building Liverpool L3 1PS

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## Chartered accountants' report to the board of directors on the abbreviated accounts of J A Jones & Sons (Churchtown) Limited

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the abbreviated accounts of the company for the year ended 30 September 2010 which comprise the principal accounting policies, the abbreviated balance sheet and related notes from the company's accounting records and from information and explanations you have given to us

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com](http://www.icaew.com)

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the abbreviated accounts and state those matters that we have agreed to state to the Board of Directors of J A Jones & Sons (Churchtown) Limited, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants in England and Wales, as detailed at [www.icaew.com](http://www.icaew.com). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

It is your duty to ensure that the company has kept adequate accounting records and to prepare accounts that give a true and fair view. You consider that the company is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the abbreviated accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the abbreviated accounts.

*Grant Thornton UK LLP*

GRANT THORNTON UK LLP  
CHARTERED ACCOUNTANTS  
LIVERPOOL

*23 November 2010.*

## Principal accounting policies

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The principal accounting policies of the company have remained unchanged from the previous year and are set out below

### **Turnover**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts and is recognised when the risks and rewards of ownership have passed to the customer

### **Fixed assets**

All fixed assets are initially recorded at cost

### **Tangible fixed assets and depreciation**

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

Freehold buildings	4% reducing balance
Greenhouses and equipment	15% reducing balance
Plant and machinery	20% reducing balance
Motor vehicles	25% reducing balance
Freehold land and Land option	not depreciated

### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

### **Leasing and hire purchase commitments**

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

### **Pension costs**

The company operates a self administered money purchase pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the Profit and Loss Account as they become payable in accordance with the rules of the scheme.

The company also operates a group personal pension plan, which is a defined contribution scheme, available to all employees and to which the company can, at its discretion, make voluntary contributions.

### **Deferred taxation**

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured on an undiscounted basis using rates of tax that have been enacted or substantively enacted by the balance date.

### **Foreign currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

### **Financial instruments**

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

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

## Abbreviated balance sheet

	Note	2010 £	2009 £
<b>Fixed assets</b>	<b>1</b>		
Tangible assets		<u>295,382</u>	<u>297,359</u>
<b>Current assets</b>			
Stocks		1,646,969	1,670,548
Debtors		637,096	513,589
Cash at bank and in hand		<u>1,007</u>	<u>589</u>
		<u>2,285,072</u>	<u>2,184,726</u>
<b>Creditors: amounts falling due within one year</b>	<b>2</b>	<u>1,692,935</u>	<u>1,501,644</u>
<b>Net current assets</b>		<u>592,137</u>	<u>683,082</u>
<b>Total assets less current liabilities</b>		<u>887,519</u>	<u>980,441</u>
<b>Creditors: amounts falling due after more than one year</b>	<b>3</b>	<u>324,018</u>	<u>421,833</u>
<b>Provisions for liabilities</b>		<u>13,249</u>	<u>9,061</u>
		<u>550,252</u>	<u>549,547</u>
<b>Capital and reserves</b>			
Called-up equity share capital	4	550,000	550,000
Profit and loss account		252	(453)
<b>Shareholders' funds</b>		<u>550,252</u>	<u>549,547</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on **23.11.10** and are signed on their behalf by

N C Aubrey



Director

**The accompanying accounting policies and notes form part of these abbreviated accounts.**

## Notes to the abbreviated accounts

### **1 Fixed assets**

	<b>Tangible assets £</b>
Cost	
At 1 October 2009	1,009,995
Additions	44,887
At 30 September 2010	<u>1,054,882</u>
Depreciation	
At 1 October 2009	712,636
Charge for year	46,864
At 30 September 2010	<u>759,500</u>
Net book value	
At 30 September 2010	<u>295,382</u>
At 30 September 2009	<u>297,359</u>

### **2 Creditors: amounts falling due within one year**

The following liabilities disclosed under creditors falling due within one year are secured by the company

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Bank loan and overdraft	809,899	716,570
Amounts due under hire purchase agreements	19,814	33,128
	<u>829,713</u>	<u>749,698</u>

### **3 Creditors: amounts falling due after more than one year**

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Bank loan	62,000	140,000
Amounts due under hire purchase agreements	12,018	31,833
	<u>74,018</u>	<u>171,833</u>



**4 Share capital**

Authorised share capital

	2010	2009
	£	£
600,000 ordinary shares of £1 each	600,000	600,000
200,000 'A' 8% redeemable cumulative preference shares of £1 each	200,000	200,000
50,000 'B' 8% redeemable cumulative preference shares of £1 each	50,000	50,000
	<u>850,000</u>	<u>850,000</u>

Allotted, called up and fully paid

	2010		2009	
	No	£	No	£
550,000 ordinary shares of £1 each	550,000	550,000	550,000	550,000
200,000 'A' 8% redeemable cumulative preference shares of £1 each	200,000	200,000	200,000	200,000
50,000 'B' 8% redeemable cumulative preference shares of £1 each	50,000	50,000	50,000	50,000
	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u>

	2010	2009
	£	£
Amounts presented in equity		
550,000 ordinary shares of £1 each	<u>550,000</u>	<u>550,000</u>

	2010	2009
	£	£
Amounts presented in liabilities		
200,000 'A' 8% redeemable cumulative preference shares of £1 each	200,000	200,000
50,000 'B' 8% redeemable cumulative preference shares of £1 each	50,000	50,000
	<u>250,000</u>	<u>250,000</u>

**4 Share capital (continued)**

Summary of rights attaching to each class of share

**Voting rights.**

- |   |  |
|---|--|
| Ordinary                                | - one vote per share   |
| Redeemable cumulative preference shares | - where dividend not paid within 28 days or redemption not occurred on a sale is one vote per share, otherwise no vote |

**Dividend rights**

- |   |                               |
|---|-------------------------------|
| "A" and "B" redeemable cumulative preference shares | - 8% fixed dividend per annum |
| Ordinary shares                                     | - as agreed by the directors  |

**Priority and amounts receivable on a winding up:**

- |        |  |
|--------|--|
| First  | - "B" redeemable cumulative preference shares dividend arrears |
| Second | - "B" redeemable cumulative preference shares issue price      |
| Third  | - "A" redeemable cumulative preference shares dividend arrears |
| Fourth | - "A" redeemable cumulative preference shares issue price      |
| Fifth  | - ordinary shares issue price                                  |
| Sixth  | - ordinary shares dividend arrears pari passu                  |
| Lastly | - ordinary shares balance pari passu                           |

**Redemption of redeemable cumulative preference shares.**

- |     |   |
|-----|---|
| "A" | - At par any time by the company or on the request of the holders to a maximum of 50,000 shares per annum unless the company decides otherwise    |
| "B" | - Five annual sums of 10,000 commencing 1 August 2006 by the company or on the request of the holders unless agreed to be deferred by the holders |