

REGISTERED NUMBER: 02997643 (England and Wales)

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016
FOR
BAILEY BROS (SOUTHERN) LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016**

	Page
Company Information	1
Chartered Accountants' Report	2
Abridged Balance Sheet	3
Notes to the Financial Statements	4

BAILEY BROS (SOUTHERN) LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2016

DIRECTORS: D J Bailey
H Baldwin

SECRETARY: D J Bailey

REGISTERED OFFICE: Lyeheath Farm
Southwick
Fareham
Hampshire
PO17 6ES

REGISTERED NUMBER: 02997643 (England and Wales)

ACCOUNTANTS: Rothman Pantall LLP
Chartered Accountants
Fareham House
69 High Street
Fareham
Hampshire
PO16 7BB

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
BAILEY BROS (SOUTHERN) LIMITED**

The following reproduces the text of the report prepared for the directors and members in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Bailey Bros (Southern) Limited for the year ended 31st December 2016 which comprise the Income Statement, Abridged Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Bailey Bros (Southern) Limited, as a body, in accordance with the terms of our engagement letter dated 12th July 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Bailey Bros (Southern) Limited and state those matters that we have agreed to state to the Board of Directors of Bailey Bros (Southern) Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bailey Bros (Southern) Limited Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Bailey Bros (Southern) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Bailey Bros (Southern) Limited. You consider that Bailey Bros (Southern) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Bailey Bros (Southern) Limited. 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 statutory financial statements.

Rothman Pantall LLP
Chartered Accountants
Fareham House
69 High Street
Fareham
Hampshire
PO16 7BB

6th July 2017

ABRIDGED BALANCE SHEET
31ST DECEMBER 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Tangible assets	4		468,595		614,811
CURRENT ASSETS					
Stocks		292,974		470,402	
Debtors		179,454		45,907	
Cash at bank and in hand		832		95	
		<u>473,260</u>		<u>516,404</u>	
CREDITORS					
Amounts falling due within one year		<u>552,757</u>		<u>731,896</u>	
NET CURRENT LIABILITIES			<u>(79,497)</u>		<u>(215,492)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			389,098		399,319
CREDITORS					
Amounts falling due after more than one year			(384,300)		(475,758)
PROVISIONS FOR LIABILITIES			<u>(62,573)</u>		<u>(43,841)</u>
NET LIABILITIES			<u>(57,775)</u>		<u>(120,280)</u>
CAPITAL AND RESERVES					
Called up share capital			200		200
Retained earnings			<u>(57,975)</u>		<u>(120,480)</u>
SHAREHOLDERS' FUNDS			<u>(57,775)</u>		<u>(120,280)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

All the members have consented to the preparation of an abridged Balance Sheet for the year ended 31st December 2016 in accordance with Section 444(2A) of the Companies Act 2006.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 27th June 2017 and were signed on its behalf by:

D J Bailey - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2016

1. **STATUTORY INFORMATION**

Bailey Bros (Southern) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Long leasehold	- 10% on cost
Plant and machinery	- 25% on reducing balance, 20% on reducing balance and 12.5% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2016

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 9 (2015 - 10) .

4. TANGIBLE FIXED ASSETS

	Totals £
COST	
At 1st January 2016	1,155,680
Additions	81,952
Disposals	(251,610)
At 31st December 2016	<u>986,022</u>
DEPRECIATION	
At 1st January 2016	540,869
Charge for year	87,726
Eliminated on disposal	(111,168)
At 31st December 2016	<u>517,427</u>
NET BOOK VALUE	
At 31st December 2016	<u>468,595</u>
At 31st December 2015	<u>614,811</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Totals £
COST	
At 1st January 2016	662,605
Additions	71,000
Disposals	(216,000)
Transfer to ownership	(15,905)
At 31st December 2016	<u>501,700</u>
DEPRECIATION	
At 1st January 2016	197,825
Charge for year	55,052
Eliminated on disposal	(80,307)
Transfer to ownership	(5,913)
At 31st December 2016	<u>166,657</u>
NET BOOK VALUE	
At 31st December 2016	<u>335,043</u>
At 31st December 2015	<u>464,780</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2016

5. SECURED DEBTS

The following secured debts are included within creditors:

	2016 £	2015 £
Bank overdrafts	278,781	290,965
Hire purchase contracts	158,798	236,715
	<u>437,579</u>	<u>527,680</u>

Bank overdrafts are secured by a fixed and floating charge over the undertaking and all property and assets present and future regarding the bank overdraft, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery.

Hire purchase contracts are secured on the assets to which liability relates.

6. RELATED PARTY DISCLOSURES

Transactions with the entity's directors and shareholders

	2016 £	2015 £
Amounts due to related party	<u>370,324</u>	<u>420,061</u>

7. BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

The validity of this assumption depends upon the financial support of the creditors should the need arise. If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities which might arise and reclassify fixed assets and long term liabilities as current assets and liabilities.

The directors believe that it is appropriate for the financial statements to be prepared on a going concern basis.

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.