

REGISTERED NUMBER: 03037749 (England and Wales)

**Financial Statements
for the Year Ended
31 August 2018
for
Craven Fawcett Limited**



Craven Fawcett Limited (Registered number: 03037749)

**Contents of the Financial Statements
for the Year Ended 31 August 2018**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

Craven Fawcett Limited

**Company Information
for the Year Ended 31 August 2018**

DIRECTORS:

C M Ridgway OBE, DL
A Cooper
P Anderton
R Chandrasekaran
J D Gascoigne

SECRETARY:

A Cooper

REGISTERED OFFICE:

Unit 21, Greens Industrial Park
Calder Vale Road
Wakefield
West Yorkshire
WF1 5PE

REGISTERED NUMBER:

03037749 (England and Wales)

AUDITORS:

Kirk Newsholme
Chartered Accountants and Statutory Auditors
4315 Park Approach
Thorpe Park
Leeds
West Yorkshire
LS15 8GB

Craven Fawcett Limited (Registered number: 03037749)

**Balance Sheet
31 August 2018**

	Notes	2018 £	2017 £
FIXED ASSETS			
Intangible assets	4	18,954	25,454
Tangible assets	5	-	-
		<u>18,954</u>	<u>25,454</u>
CURRENT ASSETS			
Stocks		678,527	608,128
Debtors	6	1,297,937	839,607
Cash at bank		3,988	1,900
		<u>1,980,452</u>	<u>1,449,635</u>
CREDITORS			
Amounts falling due within one year	7	<u>1,316,505</u>	<u>971,332</u>
NET CURRENT ASSETS		<u>663,947</u>	<u>478,303</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>682,901</u>	<u>503,757</u>
CAPITAL AND RESERVES			
Called up share capital	9	1,000	1,000
Retained earnings		<u>681,901</u>	<u>502,757</u>
SHAREHOLDERS' FUNDS		<u>682,901</u>	<u>503,757</u>

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.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors on 1 May 2019 and were signed on its behalf by:



C M Ridgway OBE, DL - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 August 2018**

1. STATUTORY INFORMATION

Craven Fawcett 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in UK and Republic of Ireland" and the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS102 have been applied other than where additional disclosure is required to give a true and fair view.

The financial statements have been prepared under the historical cost convention.

The functional and presentational currency of the company is considered to be pounds sterling.

Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised on delivery. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the balance sheet date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the balance sheet date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Intangible assets - goodwill

Goodwill arising on the acquisition of a business in 2001, representing any excess of fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its economic life, which is 20 years. Provision is made for any impairment.

Tangible fixed assets

Tangible fixed assets are stated at purchase cost together with any incidental expenses of acquisition, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible assets, at rates calculated to write off the cost less estimated residual value of each asset on a straight line basis over its expected useful life.

Plant, equipment	10%
Fixtures & fittings	25%

Residual value represents the estimated amount which would currently be obtained from disposal of an asset after deducting estimated costs of disposal, if the asset were already at an age and in the condition expected at the end of its estimated useful life.

The need for any fixed asset impairment write down is assessed by comparison of the carrying value of the assets against the higher of realisable value and value in use.

The gain or loss arising on the disposal of an asset is determined on the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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 company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The following assets and liabilities are classified as basic financial instruments - trade debtors, cash and bank balances, trade creditors, other creditors and inter-company balances.

Trade debtors, cash and bank balances, trade creditors, other creditors and inter-company balances (being repayable on demand) are measured at the amortised cost equivalent to the undiscounted amount of cash or other consideration expected to be paid or received.

Taxation

Current tax, including UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

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 transaction. Exchange differences are recognised in the profit and loss account.

Leasing commitments

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Where material, the cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

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

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2018**

2. ACCOUNTING POLICIES - continued

Impairment of assets

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit and loss as described below.

Non financial assets

An asset is impaired when there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Financial assets

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had impairment not been recognised.

Critical accounting judgements and sources of estimation uncertainty

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The critical judgements that the directors have made in applying the company's accounting policies and the key sources of estimation uncertainty that have had the most significant effect on the amounts recognised in the financial statements are described below:

Impairment of stock

The company establishes an impairment provision for stock estimated to realise a lower value than cost. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability of stocks and its estimated selling value less costs expected to be incurred to sell the item. The directors also consider the purchase history of the stock items to assess whether the items remain in use.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 30 (2017 - 27).

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 September 2017 and 31 August 2018	130,000
AMORTISATION	
At 1 September 2017	104,546
Amortisation for year	6,500
At 31 August 2018	111,046
NET BOOK VALUE	
At 31 August 2018	18,954
At 31 August 2017	25,454

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 September 2017	37,500	19,599	57,099
Disposals	-	(19,599)	(19,599)
At 31 August 2018	37,500	-	37,500
DEPRECIATION			
At 1 September 2017	37,500	19,599	57,099
Eliminated on disposal	-	(19,599)	(19,599)
At 31 August 2018	37,500	-	37,500
NET BOOK VALUE			
At 31 August 2018	-	-	-
At 31 August 2017	-	-	-

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	1,291,330	801,482
Amounts owed by group undertakings	-	15,646
Other debtors	6,607	22,479
	1,297,937	839,607

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	349,934	197,974
Amounts owed to group undertakings	689,424	534,589
Taxation and social security	79,142	105,822
Other creditors	198,005	132,947
	<u>1,316,505</u>	<u>971,332</u>

Other creditors include advances of £103,336 (2017 - £nil) against book debts that have been secured. Additionally a fixed and floating charge over all of the company's assets is in place as security for the payment and discharge of the debt.

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	5,926	-
Between one and five years	18,767	-
	<u>24,693</u>	<u>-</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Neill Rayland BA FCA (Senior Statutory Auditor)
for and on behalf of Kirk Newsholme

11. CONTINGENT LIABILITIES

The company is part of a composite cross guarantee with its fellow subsidiaries and parent company in respect of overdrafts and other borrowings. The maximum potential at the year end amounted to £446,678 (2017 - £nil).

12. PARENT COMPANY

The company is a wholly owned subsidiary of Group Rhodes Limited, a company registered in England and Wales. The registered office of Group Rhodes Limited is Unit 21 Greens Industrial Park, Calder Vale Road, Wakefield, West Yorkshire, WF1 5PE.