

Derek W Hancox Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2017

SA Accountancy
5 Victoria Street
Cinderford
Gloucestershire
GL14 2ET

Derek W Hancox Limited

Contents

Company Information	<u>1</u>
Directors' Report	<u>2</u>
Accountants' Report	<u>3</u>
Profit and Loss Account	<u>4</u>
Statement of Comprehensive Income	<u>5</u>
Balance Sheet	<u>6</u>
Statement of Changes in Equity	<u>7</u>
Notes to the Financial Statements	<u>8 to 13</u>

Derek W Hancox Limited

Company Information

Directors Mr DW Hancox
Mr SN Hancox
Mrs MS Hancox Quinn

Company secretary Mrs YB Hancox

Registered office 5 Victoria Street
Cinderford
Gloucestershire
GL14 2ET

Accountants SA Accountancy
5 Victoria Street
Cinderford
Gloucestershire
GL14 2ET

Derek W Hancox Limited

Directors' Report for the Year Ended 31 March 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

Directors of the company

The directors who held office during the year were as follows:

Mr DW Hancox

Mr SN Hancox

Mrs MS Hancox Quinn

Principal activity

The principal activity of the company is Provision of earth moving equipment

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 11 September 2017 and signed on its behalf by:

.....

Mrs YB Hancox

Company secretary

**Accountants' Report to the Directors on the Preparation of the Unaudited Statutory Accounts of
Derek W Hancox Limited
for the Year Ended 31 March 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Derek W Hancox Limited for the year ended 31 March 2017 as set out on pages 4 to 13 from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Directors of Derek W Hancox Limited, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Derek W Hancox Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Derek W Hancox Limited and its Directors as a body for our work or for this report.

It is your duty to ensure that Derek W Hancox Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Derek W Hancox Limited. You consider that Derek W Hancox 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 accounts of Derek W Hancox 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 accounts.

.....
SA Accountancy
5 Victoria Street
Cinderford
Gloucestershire
GL14 2ET

11 September 2017

Derek W Hancox Limited

Profit and Loss Account for the Year Ended 31 March 2017

	Note	2017 £	2016 £
Turnover		1,327,521	1,144,373
Cost of sales		<u>(894,145)</u>	<u>(691,043)</u>
Gross profit		433,376	453,330
Administrative expenses		<u>(340,780)</u>	<u>(390,084)</u>
Operating profit		<u>92,596</u>	<u>63,246</u>
Interest payable and similar expenses		<u>(34,723)</u>	<u>(34,893)</u>
		<u>(34,723)</u>	<u>(34,893)</u>
Profit before tax	<u>4</u>	57,873	28,353
Taxation		<u>(10,410)</u>	<u>(317)</u>
Profit for the financial year		<u><u>47,463</u></u>	<u><u>28,036</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 8 to 13 form an integral part of these financial statements.

Derek W Hancox Limited

Statement of Comprehensive Income for the Year Ended 31 March 2017

	2017 £	2016 £
Profit for the year	47,463	28,036
Total comprehensive income for the year	47,463	28,036

The notes on pages 8 to 13 form an integral part of these financial statements.

Derek W Hancox Limited
(Registration number: 03152826)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Tangible assets	<u>5</u>	639,008	639,622
Current assets			
Debtors	<u>6</u>	191,714	190,995
Cash at bank and in hand		63,439	102,403
		255,153	293,398
Creditors: Amounts falling due within one year	<u>7</u>	(251,728)	(195,059)
Net current assets		3,425	98,339
Total assets less current liabilities		642,433	737,961
Creditors: Amounts falling due after more than one year	<u>7</u>	(337,953)	(415,944)
Net assets		304,480	322,017
Capital and reserves			
Called up share capital		102	102
Profit and loss account		304,378	321,915
Total equity		304,480	322,017

For the financial year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 11 September 2017 and signed on its behalf by:

.....
Mr DW Hancox
Director

Derek W Hancox Limited

Statement of Changes in Equity for the Year Ended 31 March 2017

	Share capital £	Profit and loss account £	Total £
At 1 April 2016	102	321,915	322,017
Profit for the year	-	47,463	47,463
Total comprehensive income	-	47,463	47,463
Dividends	-	(65,000)	(65,000)
At 31 March 2017	102	304,378	304,480

	Share capital £	Profit and loss account £	Total £
At 1 April 2015	102	348,879	348,981
Profit for the year	-	28,036	28,036
Total comprehensive income	-	28,036	28,036
Dividends	-	(55,000)	(55,000)
At 31 March 2016	102	321,915	322,017

The notes on pages 8 to 13 form an integral part of these financial statements.

Derek W Hancox Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

5 Victoria Street

Cinderford

Gloucestershire

GL14 2ET

These financial statements were authorised for issue by the Board on 11 September 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Derek W Hancox Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	15% on reducing balance
Motor vehicles	25% on reducing balance
Office and computer equipment	15% on reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Derek W Hancox Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Leases

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 18 (2016 - 18).

4 Profit before tax

Arrived at after charging/(crediting)

	2017	2016
	£	£
Depreciation expense	<u>114,692</u>	<u>115,557</u>

Derek W Hancox Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 April 2016	-	121,163	1,209,441	1,330,604
Additions	1,878	-	112,200	114,078
At 31 March 2017	1,878	121,163	1,321,641	1,444,682
Depreciation				
At 1 April 2016	-	105,100	585,882	690,982
Charge for the year	282	4,046	110,364	114,692
At 31 March 2017	282	109,146	696,246	805,674
Carrying amount				
At 31 March 2017	1,596	12,017	625,395	639,008
At 31 March 2016	-	16,063	623,559	639,622

6 Debtors

	2017 £	2016 £
Trade debtors	191,714	190,995
	191,714	190,995

7 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	9	155,471	156,667
Trade creditors		55,927	25,185
Taxation and social security		24,392	8,655
Accruals and deferred income		2,456	1,540
Other creditors		13,482	3,012
		251,728	195,059
		2017 £	2016 £

Current loans and borrowings

Finance lease liabilities

155,471

156,667

Derek W Hancox Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	9	337,953	415,944

8 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary Shares of £1 each	102	102	102	102

Derek W Hancox Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	77,042	103,460
Finance lease liabilities	260,911	312,484
	<u>337,953</u>	<u>415,944</u>

	2017 £	2016 £
Current loans and borrowings		
Finance lease liabilities	155,471	156,667

10 Dividends

	2017 £	2016 £
Final dividend of £650.00 (2016 - £550.00) per ordinary share	65,000	55,000

11 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	<u>56,937</u>	<u>56,709</u>

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.