
A N RICHARDS LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

A N RICHARDS LTD
REGISTERED NUMBER: 06477166

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	4	280,800	312,000
Tangible assets	5	2,837,768	2,318,160
		<u>3,118,568</u>	<u>2,630,160</u>
Current assets			
Stocks		254,122	298,964
Debtors: amounts falling due within one year	6	901,778	882,781
Cash at bank and in hand	7	359,432	304,381
		<u>1,515,332</u>	<u>1,486,126</u>
Creditors: amounts falling due within one year	8	(1,441,100)	(1,372,088)
Net current assets		<u>74,232</u>	<u>114,038</u>
Total assets less current liabilities		<u>3,192,800</u>	<u>2,744,198</u>
Creditors: amounts falling due after more than one year	9	(866,723)	(610,597)
Provisions for liabilities			
Deferred tax	11	(54,897)	(80,438)
Other provisions	12	(67,010)	(56,841)
		<u>(121,907)</u>	<u>(137,279)</u>
Net assets		<u><u>2,204,170</u></u>	<u><u>1,996,322</u></u>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss account		2,204,070	1,996,222
		<u><u>2,204,170</u></u>	<u><u>1,996,322</u></u>

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A N RICHARDS LTD
REGISTERED NUMBER: 06477166

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2017

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 profit and loss account 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 by:

Brynley Richards
Director

Date: 29 September 2017

The notes on pages 3 to 13 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. General information

A N Richards Limited, 06477166, is a private limited company limited by shares, incorporated in England and Wales, with its registered office and principal place of business at Lime Kiln Yard, Holyhead Road, Froncysllte, Llangollen, LL20 7RA.

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 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and loss account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.4 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- nil depreciation
Plant & machinery	- 15% reducing balance
Motor vehicles	- 25% reducing balance
Office equipment	- 15% reducing balance

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 Profit and loss account.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)

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.

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 other third parties, loans to related parties and investments in non-puttable ordinary shares.

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. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 Finance costs

Finance costs are charged to the Profit and loss account 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. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.12 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 Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.13 Borrowing costs

All borrowing costs are recognised in the Profit and loss account in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.14 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 Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet 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 Balance sheet.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, 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 balance sheet 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 Balance sheet 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 balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 37 (2016 - 36).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2016	520,000
At 31 March 2017	<u>520,000</u>
Amortisation	
At 1 April 2016	208,000
Charge for the year	31,200
At 31 March 2017	<u>239,200</u>
Net book value	
At 31 March 2017	<u>280,800</u>
At 31 March 2016	<u>312,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Office equipment £	Total £
Cost or valuation					
At 1 April 2016	279,363	230,612	4,460,182	11,885	4,982,042
Additions	-	-	1,491,500	-	1,491,500
Disposals	-	-	(336,380)	-	(336,380)
At 31 March 2017	<u>279,363</u>	<u>230,612</u>	<u>5,615,302</u>	<u>11,885</u>	<u>6,137,162</u>
Depreciation					
At 1 April 2016	-	143,777	2,511,466	8,640	2,663,883
Charge for the year on owned assets	-	10,552	207,159	487	218,198
Charge for the year on financed assets	-	2,473	620,118	-	622,591
Disposals	-	-	(205,276)	-	(205,276)
At 31 March 2017	<u>-</u>	<u>156,802</u>	<u>3,133,467</u>	<u>9,127</u>	<u>3,299,396</u>
Net book value					
At 31 March 2017	<u>279,363</u>	<u>73,810</u>	<u>2,481,835</u>	<u>2,758</u>	<u>2,837,766</u>
At 31 March 2016	<u>279,363</u>	<u>86,836</u>	<u>1,948,716</u>	<u>3,245</u>	<u>2,318,160</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	14,013	16,486
Motor vehicles	1,860,354	1,273,009
	<u>1,874,367</u>	<u>1,289,495</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. Debtors

	2017 £	2016 £
Trade debtors	855,405	841,079
Prepayments and accrued income	46,373	41,702
	<u>901,778</u>	<u>882,781</u>

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	359,432	304,381
	<u>359,432</u>	<u>304,381</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Other loans	13,717	13,403
Trade creditors	534,147	425,660
Corporation tax	114,023	120,942
Other taxation and social security	85,077	119,146
Obligations under finance lease and hire purchase contracts	674,462	663,561
Accruals and deferred income	19,674	29,376
	<u>1,441,100</u>	<u>1,372,088</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

9. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	119,607	132,345
Net obligations under finance leases and hire purchase contracts	646,319	236,784
Other creditors	100,797	241,468
	<u>866,723</u>	<u>610,597</u>

Secured loans

Included within bank loans due after more than one year is a bank loan which is secured against the property held within the company.

10. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Other loans	13,717	13,403
	<u>13,717</u>	<u>13,403</u>
Amounts falling due 1-2 years		
Bank loans	119,607	132,345
	<u>119,607</u>	<u>132,345</u>
	<u>133,324</u>	<u>145,748</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. Deferred taxation

	2017 £
At beginning of year	(80,438)
Charged to profit or loss	25,541
At end of year	(54,897)

The provision for deferred taxation is made up as follows:

	2017 £
Accelerated capital allowances	(54,897)
	(54,897)

12. Provisions

	Warranty Provision £
At 1 April 2016	56,841
Charged to profit or loss	10,169
At 31 March 2017	67,010

13. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
84 Ordinary A Shares shares of £1 each	84	84
16 Ordinary B Shares shares of £1 each	16	16
	100	100

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

14. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents the contributions payable by the company to the fund and amounted to £43,365 (2016: £7,224).

15. Related party transactions

Included within other creditors due after more than one year is an amount of £31,851 (2016: £90,273) owed to Mr B Richards and £21,439 (2016: £98,868) owed to Mr N G Richards, directors and shareholders of the company. Also included within other creditors due after more than one year is an amount of £47,505 (2016: £52,385) owed to Mrs J Cooke, a shareholder of the company. The maximum amount outstanding during the year was £52,385.

During the year the company paid dividends to the directors, Mr B Richards received £33,000 (2016: £29,700) and Mr N G Richards received £33,000 (2016: £29,700). Mrs J Cooke, a shareholder of the company also received £23,000 (2016: £29,700) during the year.

16. Controlling party

The company is controlled by Mr B Richards and Mr N G Richards, who each own 42% of the issued shares.

17. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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