

Registration number: 07333738

# F & M Lucas & Sons Ltd

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

Saul Fairholm Limited  
12 Tentercroft Street  
Lincoln  
LN5 7DB

# **F & M Lucas & Sons Ltd**

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# **F & M Lucas & Sons Ltd**

## **Company Information**

<b>Directors</b>	Mr M Lucas Mr R Lucas Mrs F A Lucas
<b>Registered office</b>	Hill Farm Snelland Lincolnshire LN3 5AR
<b>Accountants</b>	Saul Fairholm Limited 12 Tentercroft Street Lincoln LN5 7DB

**F & M Lucas & Sons Ltd**  
**(Registration number: 07333738)**  
**Balance Sheet as at 31 August 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	901,316	792,531
<b>Current assets</b>			
Stocks	<u>5</u>	4,250	4,250
Debtors	<u>6</u>	114,109	103,832
Cash at bank and in hand		<u>1,956</u>	<u>13,151</u>
		120,315	121,233
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(238,305)</u>	<u>(186,699)</u>
<b>Net current liabilities</b>		<u>(117,990)</u>	<u>(65,466)</u>
<b>Total assets less current liabilities</b>		783,326	727,065
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	(318,153)	(359,280)
<b>Provisions for liabilities</b>		<u>(51,317)</u>	<u>(63,018)</u>
<b>Net assets</b>		<u><u>413,856</u></u>	<u><u>304,767</u></u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>413,756</u>	<u>304,667</u>
<b>Total equity</b>		<u><u>413,856</u></u>	<u><u>304,767</u></u>

For the financial year ending 31 August 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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 12 form an integral part of these financial statements.

**F & M Lucas & Sons Ltd**  
**(Registration number: 07333738)**  
**Balance Sheet as at 31 August 2017**

Approved and authorised by the Board on 1 February 2018 and signed on its behalf by:

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Mrs F A Lucas

Director

The notes on pages 4 to 12 form an integral part of these financial statements.

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# **F & M Lucas & Sons Ltd**

## **Notes to the Financial Statements for the Year Ended 31 August 2017**

### **1 General information**

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

The address of its registered office is:

Hill Farm  
Snelland  
Lincolnshire  
LN3 5AR  
England

These financial statements were authorised for issue by the Board on 1 February 2018.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

These financial statements for the year ended 31st August 2017 are the first financial statements that comply with FRS 102 Section 1A. The date of transition is 1st September 2015. The transition to FRS 102 Section 1A has resulted in a small number of changes in accounting policies to those used previously. The nature of these changes and their impact on opening equity and profit for the comparative period are explained in the notes disclosed below.

#### **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 and deferred 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.

## **F & M Lucas & Sons Ltd**

### **Notes to the Financial Statements for the Year Ended 31 August 2017**

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **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.

#### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	Not depreciated
Furniture, fittings and equipment	15% reducing balance
Motor vehicles	25% reducing balance
Other property, plant and equipment	15% 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.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

## **F & M Lucas & Sons Ltd**

### **Notes to the Financial Statements for the Year Ended 31 August 2017**

#### **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.

#### **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.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.



## **F & M Lucas & Sons Ltd**

### **Notes to the Financial Statements for the Year Ended 31 August 2017**

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 7 (2016 - 7).

# F & M Lucas & Sons Ltd

## Notes to the Financial Statements for the Year Ended 31 August 2017

### 4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>					
At 1 September 2016	477,444	53,090	42,060	316,127	888,721
Additions	153,786	10,853	-	11,554	176,193
Disposals	-	(154)	-	(27,551)	(27,705)
At 31 August 2017	631,230	63,789	42,060	300,130	1,037,209
<b>Depreciation</b>					
At 1 September 2016	-	3,698	5,943	86,549	96,190
Charge for the year	-	1,260	9,029	31,136	41,425
Eliminated on disposal	-	-	-	(1,722)	(1,722)
At 31 August 2017	-	4,958	14,972	115,963	135,893
<b>Carrying amount</b>					
At 31 August 2017	631,230	58,831	27,088	184,167	901,316
At 31 August 2016	477,444	49,392	36,117	229,578	792,531

Included within the net book value of land and buildings above is £631,230 (2016 - £477,444) in respect of freehold land and buildings.

# F & M Lucas & Sons Ltd

## Notes to the Financial Statements for the Year Ended 31 August 2017

### 5 Stocks

	2017 £	2016 £
Other inventories	4,250	4,250

### 6 Debtors

	2017 £	2016 £
Trade debtors	72,575	69,225
Other debtors	41,534	34,607
Total current trade and other debtors	114,109	103,832

### 7 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Loans and borrowings	8	136,832	53,674
Trade creditors		10,592	77,810
Taxation and social security		28,632	21,891
Other creditors		62,249	33,324
		238,305	186,699

### Due after one year

Loans and borrowings	8	318,153	359,280
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### 8 Loans and borrowings

	2017 £	2016 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	303,792	331,261
Finance lease liabilities	14,361	28,019
	318,153	359,280

# F & M Lucas & Sons Ltd

## Notes to the Financial Statements for the Year Ended 31 August 2017

	2017 £	2016 £
<b>Current loans and borrowings</b>		
Bank borrowings	26,205	24,605
Bank overdrafts	96,969	-
Finance lease liabilities	13,658	29,069
	<u>136,832</u>	<u>53,674</u>

### Bank borrowings

Mortgage is denominated in £ with a nominal interest rate of market rate, and the final instalment is due on 31 August 2030. The carrying amount at year end is £203,104 (2016 - £220,310).

The mortgage is secured on the related land.

Bank loan is denominated in £ with a nominal interest rate of market rate, and the final instalment is due on 31 August 2032. The carrying amount at year end is £127,858 (2016 - £135,557).

The loan is secured on all money and liabilities whatever, whenever and howsoever incurred by the Company whether now or in the future.

### Other borrowings

Hire purchase with a carrying amount of £11,324 (2016 - £15,442) is denominated in £ with a nominal interest rate of market rate. The final instalment is due on 30 June 2020.

The liability is secured on the related asset.

Hire purchase with a carrying amount of £16,695 (2016 - £26,235) is denominated in £ with a nominal interest rate of market rate. The final instalment is due on 30 June 2019.

The liability is secured on the related asset.

### Bank loans and overdrafts after five years

There are two bank loans which are being paid by instalments. Interest is charged at the market rate.

Included in the loans and borrowings are the following amounts due after more than five years:

	2017 £	2016 £
After more than five years by instalments	198,971	232,840

## 9 Transition to FRS 102

This is the first year that F&M Lucas & Sons Limited has presented its financial statements under Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council. The last financial statements for the year ended 31st August 2016 were prepared under previous UK GAAP and the transition date to FRS 102 is therefore 1st September 2015.

# F & M Lucas & Sons Ltd

## Notes to the Financial Statements for the Year Ended 31 August 2017

### Balance Sheet at 1 September 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	742,195	-	-	742,195
<b>Current assets</b>				
Debtors	94,174	-	-	94,174
Cash at bank and in hand	18,029	-	-	18,029
	112,203	-	-	112,203
Creditors: Amounts falling due within one year	(167,720)	-	-	(167,720)
Net current liabilities	(55,517)	-	-	(55,517)
Total assets less current liabilities	686,678	-	-	686,678
Creditors: Amounts falling due after more than one year	(402,198)	-	-	(402,198)
Provisions for liabilities	(52,951)	-	-	(52,951)
Net assets	231,529	-	-	231,529
<b>Capital and reserves</b>				
Called up share capital	100	-	-	100
Profit and loss account	231,429	-	-	231,429
Total equity	231,529	-	-	231,529

# F & M Lucas & Sons Ltd

## Notes to the Financial Statements for the Year Ended 31 August 2017

### Balance Sheet at 31 August 2016

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>				
Tangible assets	792,531	-	-	792,531
<b>Current assets</b>				
Stocks	4,250	-	-	4,250
Debtors	103,832	-	-	103,832
Cash at bank and in hand	13,151	-	-	13,151
	121,233	-	-	121,233
Creditors: Amounts falling due within one year	(186,699)	-	-	(186,699)
Net current liabilities	(65,466)	-	-	(65,466)
Total assets less current liabilities	727,065	-	-	727,065
Creditors: Amounts falling due after more than one year	(359,280)	-	-	(359,280)
Provisions for liabilities	(63,018)	-	-	(63,018)
Net assets	304,767	-	-	304,767
<b>Capital and reserves</b>				
Called up share capital	100	-	-	100
Profit and loss account	304,667	-	-	304,667
Total equity	304,767	-	-	304,767

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.