

Registration number: 08909304

FAWCETT & HETHERINGTON FUNERAL SERVICE LIMITED

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2018



Fawcett & Hetherington Funeral Service Limited

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Fawcett & Hetherington Funeral Service Limited

(Registration number: 08909304)

Statement of Financial Position as at 31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	675,311	760,334
Current assets			
Stocks		16,886	19,926
Debtors	6	195,396	168,657
Cash at bank and in hand		<u>107,577</u>	<u>275,049</u>
		319,859	463,632
Creditors: Amounts falling due within one year	7	<u>(643,633)</u>	<u>(730,976)</u>
Net current liabilities		<u>(323,774)</u>	<u>(267,344)</u>
Total assets less current liabilities		351,537	492,990
Creditors: Amounts falling due after more than one year	7	-	(197,984)
Provisions for liabilities		<u>(44,712)</u>	<u>(58,568)</u>
Net assets		<u>306,825</u>	<u>236,438</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>306,823</u>	<u>236,436</u>
Total equity		<u>306,825</u>	<u>236,438</u>

For the financial year ending 31 March 2018 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 financial statements 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 financial statements.

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 Income Statement has been taken.


The notes on pages 3 to 9 form an integral part of these financial statements.

Fawcett & Hetherington Funeral Service Limited

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Statement of Financial Position as at 31 March 2018 (continued)

Approved and authorised by the Board on 24/10/18 and signed on its behalf by:


.....
Mr A J Fawcett
Director

The notes on pages 3 to 9 form an integral part of these financial statements.

Fawcett & Hetherington Funeral Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018

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 King George House, 92 High Street, Middlesbrough, TS6 9EG.

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.

These financial statements are prepared in sterling which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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.

Fawcett & Hetherington Funeral Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

2 Accounting policies (continued)

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

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:

Asset class	Depreciation method and rate
Freehold property	2% straight line
Fixtures and fittings	Between 15% and 20% on written down value
Motor vehicles	Over 4 to 7 years straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 3 years

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.

Fawcett & Hetherington Funeral Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

2 Accounting policies (continued)

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.

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 Income Statement 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.

Fawcett & Hetherington Funeral Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

2 Accounting policies (continued)

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. 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 Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance costs in the Income Statement 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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 16 (2017 - 16).

Fawcett & Hetherington Funeral Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2017	<u>69,000</u>	<u>69,000</u>
At 31 March 2018	<u>69,000</u>	<u>69,000</u>
Amortisation		
At 1 April 2017	<u>69,000</u>	<u>69,000</u>
At 31 March 2018	<u>69,000</u>	<u>69,000</u>
Carrying amount		
At 31 March 2018	<u><u>-</u></u>	<u><u>-</u></u>

Fawcett & Hetherington Funeral Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

5 Tangible assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2017	373,195	28,995	549,192	951,382
Additions	-	1,159	-	1,159
At 31 March 2018	373,195	30,154	549,192	952,541
Depreciation				
At 1 April 2017	14,430	8,601	168,017	191,048
Charge for the year	7,464	3,227	75,491	86,182
At 31 March 2018	21,894	11,828	243,508	277,230
Carrying amount				
At 31 March 2018	351,301	18,326	305,684	675,311
At 31 March 2017	358,765	20,394	381,175	760,334

Included within the net book value of land and buildings above is £351,300 (2017 - £358,765) in respect of freehold land and buildings.

6 Debtors

	2018 £	2017 £
Trade debtors	162,185	164,557
Prepayments	3,211	3,191
Other debtors	30,000	909
	<u>195,396</u>	<u>168,657</u>

Fawcett & Hetherington Funeral Service Limited

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

7 Creditors

Creditors: amounts falling due within one year

	2018	2017
	£	£
Due within one year		
Loan and borrowings	197,984	35,963
Trade creditors	15,522	21,516
Taxation and social security	4,208	3,045
Accruals and deferred income	2,890	2,950
Other creditors	6	-
Corporation tax liability	49,487	45,012
Directors' loan accounts	<u>373,536</u>	<u>622,490</u>
	<u>643,633</u>	<u>730,976</u>

Loans and borrowings include £197,984 (2017: £35,962) hire purchase debt secured against the assets to which it relates.

Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Due after one year		
Loans and borrowings	<u>-</u>	<u>197,984</u>

8 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The company has total operating lease commitments of £2,133 (2017 - £3,081).

The company has no other commitments, guarantees or contingent liabilities.