

H Atkinson and Sons (Ingleby) Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2019

Mr David Noble
Chartered Management Accountant
7 Canon Grove
Yarm
TS15 9XE

H Atkinson and Sons (Ingleby) Ltd

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H Atkinson and Sons (Ingleby) Ltd

Company Information

Directors	Mr David Atkinson Mr Martin Timothy Atkinson
Registered office	Ingleby Arncliffe Northallerton North Yorkshire DL6 3LN
Accountants	Mr David Noble Chartered Management Accountant 7 Canon Grove Yarm TS15 9XE

H Atkinson and Sons (Ingleby) Ltd

Directors' Report for the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors of the company

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

Mr David Atkinson

Mr Martin Timothy Atkinson

Principal activity

The principal activity of the company is coach hire and tours

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 7 April 2020 and signed on its behalf by:

.....
Mr Martin Timothy Atkinson
Highest paid director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
H Atkinson and Sons (Ingleby) Ltd
for the Year Ended 31 December 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of H Atkinson and Sons (Ingleby) Ltd for the year ended 31 December 2019 as set out on pages 4 to 14 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of H Atkinson and Sons (Ingleby) Ltd, as a body, in accordance with the terms of our engagement letter dated 1 May 2018. Our work has been undertaken solely to prepare for your approval the accounts of H Atkinson and Sons (Ingleby) Ltd and state those matters that we have agreed to state to the Board of Directors of H Atkinson and Sons (Ingleby) Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than H Atkinson and Sons (Ingleby) Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that H Atkinson and Sons (Ingleby) Ltd 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 H Atkinson and Sons (Ingleby) Ltd. You consider that H Atkinson and Sons (Ingleby) Ltd 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 H Atkinson and Sons (Ingleby) Ltd. 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.

.....
Mr David Noble
Chartered Management Accountant
7 Canon Grove
Yarm
TS15 9XE

7 April 2020

H Atkinson and Sons (Ingleby) Ltd

Profit and Loss Account for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover		1,014,004	831,310
Cost of sales		<u>(776,986)</u>	<u>(715,461)</u>
Gross profit		237,018	115,849
Administrative expenses		(200,204)	(92,198)
Other operating income		<u>808</u>	<u>863</u>
Operating profit		<u>37,622</u>	<u>24,514</u>
Other interest receivable and similar income		168	135
Interest payable and similar expenses		<u>-</u>	<u>(1,500)</u>
		<u>168</u>	<u>(1,365)</u>
Profit before tax	<u>4</u>	37,790	23,149
Taxation		<u>(5,511)</u>	<u>(12,264)</u>
Profit for the financial year		<u><u>32,279</u></u>	<u><u>10,885</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 14 form an integral part of these financial statements.

H Atkinson and Sons (Ingleby) Ltd

Statement of Comprehensive Income for the Year Ended 31 December 2019

	2019	2018
	£	£
Profit for the year	<u>32,279</u>	<u>10,885</u>
Total comprehensive income for the year	<u><u>32,279</u></u>	<u><u>10,885</u></u>

The notes on pages 8 to 14 form an integral part of these financial statements.

H Atkinson and Sons (Ingleby) Ltd
(Registration number: 00650659)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>5</u>	1,035,980	1,103,535
Current assets			
Stocks	<u>6</u>	7,764	17,222
Debtors	<u>7</u>	158,693	103,546
Cash at bank and in hand		175,490	321,148
		341,947	441,916
Creditors: Amounts falling due within one year	<u>8</u>	(66,659)	(186,217)
Net current assets		275,288	255,699
Total assets less current liabilities		1,311,268	1,359,234
Provisions for liabilities		(242,886)	(251,131)
Net assets		1,068,382	1,108,103
Capital and reserves			
Called up share capital		2,000	2,000
Profit and loss account		1,066,382	1,106,103
Total equity		1,068,382	1,108,103

For the financial year ending 31 December 2019 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.

The notes on pages 8 to 14 form an integral part of these financial statements.

H Atkinson and Sons (Ingleby) Ltd
(Registration number: 00650659)
Balance Sheet as at 31 December 2019

Approved and authorised by the Board on 7 April 2020 and signed on its behalf by:

.....

Mr David Atkinson

Director

.....

Mr Martin Timothy Atkinson

Director

The notes on pages 8 to 14 form an integral part of these financial statements.

H Atkinson and Sons (Ingleby) Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

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:

Ingleby Arncliffe
Northallerton
North Yorkshire
DL6 3LN
England

These financial statements were authorised for issue by the Board on 7 April 2020.

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.

H Atkinson and Sons (Ingleby) Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

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	7.5% straight line
Motor vehicles	25% reducing balance
Fixtures and fittings	10% 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.

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.

H Atkinson and Sons (Ingleby) Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

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 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 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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 14 (2018 - 16).

4 Profit before tax

Arrived at after charging/(crediting)

H Atkinson and Sons (Ingleby) Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

	2019	2018
	£	£
Depreciation expense	<u>87,103</u>	<u>132,613</u>

H Atkinson and Sons (Ingleby) Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £
Cost or valuation				
At 1 January 2019	9,825	63,844	19,553	1,731,815
Additions	-	-	6,225	487,730
Disposals	-	-	-	(691,450)
At 31 December 2019	9,825	63,844	25,778	1,528,095
Depreciation				
At 1 January 2019	8,840	53,115	16,419	643,128
Charge for the year	491	1,073	1,432	84,107
Eliminated on disposal	-	-	-	(217,043)
At 31 December 2019	9,331	54,188	17,851	510,192
Carrying amount				
At 31 December 2019	494	9,656	7,927	1,017,903
At 31 December 2018	985	10,729	3,134	1,088,687
				Total £
Cost or valuation				
At 1 January 2019				1,825,037
Additions				493,955
Disposals				(691,450)
At 31 December 2019				1,627,542
Depreciation				
At 1 January 2019				721,502
Charge for the year				87,103
Eliminated on disposal				(217,043)
At 31 December 2019				591,562
Carrying amount				
At 31 December 2019				1,035,980
At 31 December 2018				1,103,535

H Atkinson and Sons (Ingleby) Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

Included within the net book value of land and buildings above is £494 (2018 - £985) in respect of freehold land and buildings.

6 Stocks

	2019 £	2018 £
Other inventories	7,764	17,222

7 Debtors

	2019 £	2018 £
Trade debtors	132,076	93,170
Prepayments	-	4,227
Other debtors	26,617	6,149
	158,693	103,546

8 Creditors

9 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary share of £1 each	2,000	2,000	2,000	2,000

H Atkinson and Sons (Ingleby) Ltd

Notes to the Financial Statements for the Year Ended 31 December 2019

10 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Finance lease liabilities	-	13,510

11 Dividends

2019 £	2018 £
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12 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	18,528	17,793

H Atkinson and Sons (Ingleby) Ltd

Detailed Profit and Loss Account for the Year Ended 31 December 2019

	2019 £	2018 £
Turnover (analysed below)	1,014,004	831,310
Cost of sales (analysed below)	<u>(776,986)</u>	<u>(715,461)</u>
Gross profit	<u>237,018</u>	<u>115,849</u>
Gross profit (%)		
Administrative expenses		
Employment costs (analysed below)	(18,528)	(17,793)
Establishment costs (analysed below)	(19,563)	(15,386)
General administrative expenses (analysed below)	(26,612)	(16,124)
Finance charges (analysed below)	(1,097)	(1,068)
Depreciation costs (analysed below)	(2,996)	(2,727)
Other expenses (analysed below)	<u>(131,408)</u>	<u>(39,100)</u>
	(200,204)	(92,198)
Other operating income (analysed below)	<u>808</u>	<u>863</u>
Operating profit	<u>37,622</u>	<u>24,514</u>
Other interest receivable and similar income (analysed below)	168	135
Interest payable and similar charges (analysed below)	<u>-</u>	<u>(1,500)</u>
	<u>168</u>	<u>(1,365)</u>
Profit before tax	<u><u>37,790</u></u>	<u><u>23,149</u></u>

This page does not form part of the statutory financial statements.
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H Atkinson and Sons (Ingleby) Ltd

Detailed Profit and Loss Account for the Year Ended 31 December 2019

	2019 £	2018 £
Turnover		
Sale of goods, UK	157,860	55,370
Rendering of services, UK	856,144	775,940
	<u>1,014,004</u>	<u>831,310</u>
 Cost of sales		
Opening raw materials	17,222	12,222
Materials	272,913	200,946
Purchases	260,687	220,826
Closing raw materials	(7,764)	(17,222)
Wages and salaries (excluding directors)	147,244	166,388
Staff pensions (Defined contribution)	2,527	1,820
Staff training	50	595
Depreciation of plant and machinery	84,107	129,886
	<u>776,986</u>	<u>715,461</u>
 Employment costs		
Directors remuneration	<u>(18,528)</u>	<u>(17,793)</u>
 Establishment costs		
Rent	(6,000)	(6,000)
Rates	(2,232)	(2,267)
Light, heat and power	(1,931)	(2,282)
Insurance	(6,072)	(1,780)
Repairs and maintenance	(3,328)	(2,813)
Equipment repairs and renewals	-	(244)
	<u>(19,563)</u>	<u>(15,386)</u>
 General administrative expenses		
Telephone and fax	(1,636)	(1,427)
Printing, postage and stationery	(1,899)	(1,754)
Courier services	(464)	(459)
Trade subscriptions	(805)	(170)
Hire of plant and machinery (Operating leases)	(2,877)	(1,465)
Sundry expenses	(9,392)	(2,770)
Advertising	(2,893)	(3,332)
Accountancy fees	(2,706)	(3,835)
Legal and professional fees	-	(912)
Bad debts written off	(3,940)	-
	<u>(26,612)</u>	<u>(16,124)</u>

Finance charges

Bank charges	<u>(1,097)</u>	<u>(1,068)</u>
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This page does not form part of the statutory financial statements.
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H Atkinson and Sons (Ingleby) Ltd

Detailed Profit and Loss Account for the Year Ended 31 December 2019

	2019 £	2018 £
Depreciation costs		
Depreciation of freehold property	(491)	(491)
Depreciation of fixtures and fittings (owned)	(1,073)	(1,192)
Depreciation of motor vehicles (owned)	<u>(1,432)</u>	<u>(1,044)</u>
	<u>(2,996)</u>	<u>(2,727)</u>
Other expenses		
(Profit)/loss on disposal of tangible fixed assets	<u>(131,408)</u>	<u>(39,100)</u>
Other operating income		
Other operating income	<u>808</u>	<u>863</u>
Other interest receivable and similar income		
Bank interest receivable	<u>168</u>	<u>135</u>

This page does not form part of the statutory financial statements.
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