

COMPANY REGISTRATION NUMBER: 01936377

Boud Minerals Limited
Filleted Unaudited Financial Statements
For the year ended
31 December 2016

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Boud Minerals Limited
Financial Statements
Year ended 31 December 2016

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Boud Minerals Limited
Officers and Professional Advisers

The board of directors

A M H Boud
D E Boud
F D Boud

Company secretary

D E Boud

Registered office

West Bank
Sutton Bridge
Lincolnshire
PE12 9QH

Accountants

Streets
Chartered accountant
Enterprise House
38 Tyndall Court
Commerce Road
Lynch Wood
Peterborough
Cams
PE2 6LR

Bankers

Handelsbanken
Byron House
Cambridge Business Park
Cowley Road
Cambridge
Cams
CB4 0WZ

Boud Minerals Limited
Statement of Financial Position
31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	6	67,129	134,257
Tangible assets	7	2,600,324	1,481,565
Investments	8	101	101
		<u>2,667,554</u>	<u>1,615,923</u>
Current assets			
Stocks		895,950	715,455
Debtors	9	944,371	889,701
Cash at bank and in hand		289,352	390,133
		<u>2,129,673</u>	<u>1,995,289</u>
Creditors: amounts falling due within one year	10	<u>1,114,183</u>	<u>883,809</u>
Net current assets		<u>1,015,490</u>	<u>1,111,480</u>
Total assets less current liabilities		<u>3,683,044</u>	<u>2,727,403</u>
Creditors: amounts falling due after more than one year	11	1,091,142	153,702
Provisions			
Taxation including deferred tax		118,538	103,084
Net assets		<u>2,473,364</u>	<u>2,470,617</u>

The statement of financial position
continues on the following page.

The notes on pages 4 to 11 form part of these financial statements.

Boud Minerals Limited

Statement of Financial Position *(continued)*

31 December 2016

	Note	2016 £	2015 £
Capital and reserves			
Called up share capital		35,000	35,000
Revaluation reserve		239,294	239,294
Profit and loss account		<u>2,199,070</u>	<u>2,196,323</u>
Members funds		<u>2,473,364</u>	<u>2,470,617</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 December 2016 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;
- 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 were approved by the board of directors and authorised for issue on, and are signed on behalf of the board by:


F. Boud
Director

Company registration number: 01936377

The notes on pages 4 to 11 form part of these financial statements.

Boud Minerals Limited
Notes to the Financial Statements
Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is West Bank, Sutton Bridge, Lincolnshire, PE12 9QH.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 15.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Boud Minerals Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

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.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as disclosed in the accounting policies.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed within the accounting policies.

1 Depreciation and amortisation

The annual depreciation charge for each class of tangible asset and the amortisation charge for the intangible asset is based on estimate of the useful economic life of the respective assets. This reviewed periodically by the directors to ensure that they reflect both the external and internal factors.

2 Stock provision

Stock and work in progress are stated net of a provision for slow moving and obsolete stock. The directors review this provision periodically to ensure slow moving and obsolete stock is identified and the provisions are appropriately calculated.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of material timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Boud Minerals Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 5% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property - 2% straight line
Plant and machinery - 10% - 25% Straight line
Motor vehicles - 25% reducing balance

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Boud Minerals Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 23 (2015: 26).

Boud Minerals Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

5. Tax on profit

Major components of tax expense

	2016 £	2015 £
Current tax:		
UK current tax expense	44,733	160,617
Deferred tax:		
Origination and reversal of timing differences	15,454	15,287
Tax on profit	<u>60,187</u>	<u>175,904</u>

6. Intangible assets

	Goodwill £
Cost	
At 1 Jan 2016 and 31 Dec 2016	<u>464,215</u>
Amortisation	
At 1 January 2016	329,958
Charge for the year	<u>67,128</u>
At 31 December 2016	<u>397,086</u>
Carrying amount	
At 31 December 2016	<u>67,129</u>
At 31 December 2015	<u>134,257</u>

7. Tangible assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 January 2016	875,000	1,089,595	207,791	2,172,386
Additions	1,050,000	244,535	34,945	1,329,480
Disposals	–	(438,999)	(24,415)	(463,414)
At 31 December 2016	<u>1,925,000</u>	<u>895,131</u>	<u>218,321</u>	<u>3,038,452</u>
Depreciation				
At 1 January 2016	12,250	555,321	123,250	690,821
Charge for the year	18,747	127,399	28,083	174,229
Disposals	–	(413,373)	(13,549)	(426,922)
At 31 December 2016	<u>30,997</u>	<u>269,347</u>	<u>137,784</u>	<u>438,128</u>
Carrying amount				
At 31 December 2016	<u>1,894,003</u>	<u>625,784</u>	<u>80,537</u>	<u>2,600,324</u>
At 31 December 2015	<u>862,750</u>	<u>534,274</u>	<u>84,541</u>	<u>1,481,565</u>

Boud Minerals Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

7. Tangible assets *(continued)*

The company has taken advantage of the option on transition to use the valuation of the property at transition as the deemed cost at the date of transition.

8. Investments

	Shares in group undertakings £
Cost	
At 1 January 2016	101
Additions	850,000
At 31 December 2016	850,101
Impairment	
Revaluations	850,000
At 31 December 2016	850,000
Carrying amount	
At 31 December 2016	101
At 31 December 2015	101

The company owns 100% of the issued share capital of the companies listed below:-

Boud Minerals & Polymers Limited
Mineral Coatings Limited

Both of the above companies are dormant and have not traded in the current or previous year.

During the year, the company acquired the entire Share capital of KFF (Sutton Bridge) Limited and transferred the subsidiary's freehold property to the company. Subsequently KFF (Sutton Bridge) Limited has been struck off. Consequently the investment in KFF (Sutton Bridge) Limited has been impaired to £nil as there are no longer any assets of the company.

9. Debtors

	2016 £	2015 £
Trade debtors	818,348	786,385
Other debtors	126,023	103,316
	944,371	889,701

Boud Minerals Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

10. Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	18,827	65,209
Trade creditors	810,345	444,991
Amounts owed to group undertakings and undertakings in which the company has a participating interest	340	340
Corporation tax	65,134	160,617
Social security and other taxes	123,801	117,826
Other creditors	95,736	94,826
	<u>1,114,183</u>	<u>883,809</u>

Bank loans and overdrafts are secured against the assets to which they relate.

Hire purchase agreements are secured against the assets to which they relate.

11. Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Bank loans and overdrafts	1,052,411	114,116
Other creditors	38,731	39,586
	<u>1,091,142</u>	<u>153,702</u>

Bank loans and overdrafts are secured against the assets to which they relate.

Hire purchase agreements are secured against the assets to which they relate.

Included within creditors: amounts falling due after more than one year is an amount of £628,543 (2015: £Nil) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

At the balance sheet date the company has 2 outstanding bank loans repayable for more than 10 years. For the first 10 years the rates were set at 2.73% above fixed rate for the first loan and 3.53% above Libor for the second loan.

12. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Later than 1 year and not later than 5 years	<u>41,609</u>	<u>41,609</u>

13. Directors' advances, credits and guarantees

During the year the company operated a loan account with a director of the company. The balance brought forward was £63,202 owed to the company. Further advances of £4,856 (2015 - £65,429) were made to the director during the year. Interest at official rate of £1,651 was charged on the loan. At the balance sheet date the director owed the company £69,709 (2015 - £63,202). No amounts were written off.

Boud Minerals Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

14. Related party transactions

The company was under the control of the directors throughout the current and previous year.

During the year the company traded with Boud Minerals AB, a company under common control. Sales of goods and services amounting to £29,185 (2015 - £87,902) were made to Boud Minerals AB during the year. The company also purchased goods and services amounting to £33,023 (2015 - £44,663) from Boud Minerals AB during the year, this figure includes management charges of £41,350 (2015 - £36,170). No amounts were outstanding at the balance sheet date (2015 - £nil) and no amounts were written off.

During the year the directors continued to operate a directors loan account with the company, the balance bought forward was £39,892 owed to the directors. During the year net repayments of £39,668 were made to the directors. Interest of £399 (2015 - £4,099) was accrued on the loan balance and at the balance sheet date the company owed the directors £224 (2015 - £39,892).

During the year, the company acquired the entire Share capital of KFF (Sutton Bridge) Limited and transferred the subsidiary's freehold property to the company at a market value of £850,000. The intercompany loan that has arose was written off in full meaning the amount outstanding at the year end was £nil.

15. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

Reconciliation of equity

	1 January 2015			31 December 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	1,555,161	239,294	1,794,455	1,614,544	1,379	1,615,923
Current assets	1,545,776	–	1,545,776	1,995,289	–	1,995,289
Creditors: amounts falling due within one year	(941,452)	–	(941,452)	(883,809)	–	(883,809)
Net current assets	604,324	–	604,324	1,111,480	–	1,111,480
Total assets less current liabilities	2,159,485	239,294	2,398,779	2,726,024	1,379	2,727,403
Creditors: amounts falling due after more than one year	(264,439)	–	(264,439)	(153,702)	–	(153,702)
Provisions	(87,797)	–	(87,797)	(103,084)	–	(103,084)
Net assets	1,807,249	239,294	2,046,543	2,469,238	1,379	2,470,617
Capital and reserves	1,807,249	239,294	2,046,543	2,469,238	1,379	2,470,617

On transition the company has taken advantage of the option in FRS102 to use the valuation of the property as deemed cost. The impact on reserves is as disclosed above.