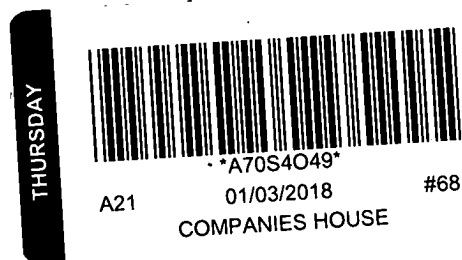


COMPANY REGISTRATION NUMBER: 07741946

A G WATSON & SONS LIMITED
FILLETED UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 2017



A G WATSON & SONS LIMITED

STATEMENT OF FINANCIAL POSITION

31 MAY 2017

	Note	£	2017 £	2016 £
Fixed Assets				
Intangible assets	5		577	693
Tangible assets	6		<u>498,967</u>	<u>562,868</u>
			499,544	563,561
Current Assets				
Stocks		1,114,500		1,135,250
Debtors	7	<u>36,752</u>		<u>39,615</u>
Cash at bank and in hand		<u>1,402,507</u>		<u>1,070,884</u>
		2,553,759		2,245,749
Creditors: amounts falling due within one year	8	<u>1,344,631</u>		<u>1,443,110</u>
Net Current Assets			1,209,128	802,639
Total Assets Less Current Liabilities			1,708,672	1,366,200
Creditors: amounts falling due after more than one year	9		<u>12,669</u>	<u>—</u>
Net Assets			<u>1,696,003</u>	<u>1,366,200</u>

The statement of financial position continues on the following page.
The notes on pages 3 to 7 form part of these financial statements.

A G WATSON & SONS LIMITED

STATEMENT OF FINANCIAL POSITION *(continued)*

31 MAY 2017

	2017 £	2016 £
Capital and Reserves		
Called up share capital	200	200
Profit and loss account	<u>1,695,803</u>	<u>1,366,000</u>
Shareholders Funds	<u>1,696,003</u>	<u>1,366,200</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'.

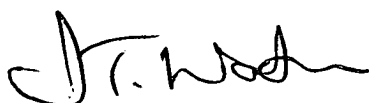
In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 May 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 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 26.2.18, and are signed on behalf of the board by:



Mr J. T. Watson
Director

Company registration number: 07741946

The notes on pages 3 to 7 form part of these financial statements.

A G WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2017

1. General Information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Nunstainton Grange Rushyford, Ferryhill, County Durham, DL17 0LH, England.

2. Statement of Compliance

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

3. Accounting Policies

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below:

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 June 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 10.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for the sale of crops and livestock, stated net of discounts and of Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

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.

A G WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MAY 2017

3. Accounting Policies *(continued)*

Income tax *(continued)*

Deferred tax is recognised in respect of all 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.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

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:

Entitlement	- 10% 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.

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:

Plant and Machinery	- 10% straight line
Fixtures and Fittings	- 10% straight line
Motor Vehicles	- 10% straight line

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.

A G WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MAY 2017

3. Accounting Policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

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.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Defined contribution plans

The company operates a defined contribution pension scheme covering a number of its employees. The scheme funds are administered by trustees and the assets of the scheme are held separately from those of the company. The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

4. Employee Numbers

The average number of persons employed by the company during the year amounted to 4 (2016: 4).

A G WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MAY 2017

5. Intangible Assets

	Development costs £
Cost	
At 1 June 2016 and 31 May 2017	<u>1,155</u>
Amortisation	
At 1 June 2016	462
Charge for the year	<u>116</u>
At 31 May 2017	<u>578</u>
Carrying amount	
At 31 May 2017	<u>577</u>
At 31 May 2016	<u>693</u>

6. Tangible Assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 June 2016	318,862	29,104	626,779	2	974,747
Additions	58,550	—	37,709	—	96,259
Disposals	(1)	—	(35,900)	—	(35,901)
At 31 May 2017	<u>377,411</u>	<u>29,104</u>	<u>628,588</u>	<u>2</u>	<u>1,035,105</u>
Depreciation					
At 1 June 2016	134,535	3,929	273,415	—	411,879
Charge for the year	59,240	2,933	72,857	—	135,030
Disposals	—	—	(10,771)	—	(10,771)
At 31 May 2017	<u>193,775</u>	<u>6,862</u>	<u>335,501</u>	<u>—</u>	<u>536,138</u>
Carrying amount					
At 31 May 2017	<u>183,636</u>	<u>22,242</u>	<u>293,087</u>	<u>2</u>	<u>498,967</u>
At 31 May 2016	<u>184,327</u>	<u>25,175</u>	<u>353,364</u>	<u>2</u>	<u>562,868</u>

7. Debtors

	2017 £	2016 £
Other debtors	<u>36,752</u>	<u>39,615</u>

A G WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MAY 2017

8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	75,106	65,702
Corporation tax	98,754	55,118
Social security and other taxes	—	1,373
Other creditors	1,170,771	1,320,917
	<u>1,344,631</u>	<u>1,443,110</u>

Included within creditors falling due within one year are hire purchase contracts of £12,669 (2016: £38,006) secured over the assets to which they relate.

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

	2017	2016
	£	£
Other creditors	<u>12,669</u>	<u>—</u>

Included within creditors falling due after more than one year are hire purchase contracts of £12,669 (2016: £nil) secured over the assets to which they relate.

10. Transition to FRS 102

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

No transitional adjustments were required in equity or profit or loss for the year.