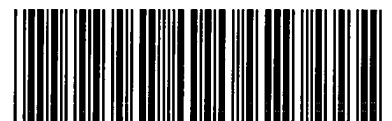


REGISTER

COMPANY REGISTRATION NUMBER: 07741946

AG WATSON & SONS LIMITED
FILLETED UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 2021

MONDAY



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AG WATSON & SONS LIMITED

STATEMENT OF FINANCIAL POSITION

31 MAY 2021

	Note	2021 £	2020 £
Fixed Assets			
Intangible assets	5	115	231
Tangible assets	6	464,876	466,098
		<u>464,991</u>	<u>466,329</u>
Current Assets			
Stocks		1,252,726	1,135,292
Debtors	7	77,429	170,366
Cash at bank and in hand		2,205,505	2,048,836
		<u>3,535,660</u>	<u>3,354,494</u>
Creditors: amounts falling due within one year	8	<u>952,810</u>	<u>1,021,722</u>
Net Current Assets		<u>2,582,850</u>	<u>2,332,772</u>
Total Assets Less Current Liabilities		<u>3,047,841</u>	<u>2,799,101</u>
Creditors: amounts falling due after more than one year	9	<u>20,667</u>	<u>—</u>
Net Assets		<u>3,027,174</u>	<u>2,799,101</u>
Capital and Reserves			
Called up share capital		200	200
Profit and loss account		3,026,974	2,798,901
Shareholders Funds		<u>3,027,174</u>	<u>2,799,101</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 Section 1A of 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 2021 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.

The statement of financial position
continues on the following page.

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

AG WATSON & SONS LIMITED

STATEMENT OF FINANCIAL POSITION *(continued)*

31 MAY 2021

These financial statements were approved by the board of directors and authorised for issue on 17/5/22, 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.

AG WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2021

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:

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.

AG WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MAY 2021

3. Accounting Policies *(continued)*

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 only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

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
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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.

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.

AG WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MAY 2021

3. Accounting Policies *(continued)*

Impairment of fixed assets *(continued)*

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 7 (2020: 7).

AG WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MAY 2021

5. Intangible Assets

	Entitlement £
Cost	
At 1 June 2020 and 31 May 2021	<u>1,155</u>
Amortisation	
At 1 June 2020	924
Charge for the year	<u>116</u>
At 31 May 2021	<u>1,040</u>
Carrying amount	
At 31 May 2021	<u>115</u>
At 31 May 2020	<u>231</u>

6. Tangible Assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 June 2020	450,536	29,104	746,006	2	1,225,648
Additions	132,850	–	21,127	–	153,977
Disposals	–	–	(69,999)	–	(69,999)
At 31 May 2021	<u>583,386</u>	<u>29,104</u>	<u>697,134</u>	<u>2</u>	<u>1,309,626</u>
Depreciation					
At 1 June 2020	293,300	15,439	450,811	–	759,550
Charge for the year	35,283	2,860	61,057	–	99,200
Disposals	–	–	(14,000)	–	(14,000)
At 31 May 2021	<u>328,583</u>	<u>18,299</u>	<u>497,868</u>	<u>–</u>	<u>844,750</u>
Carrying amount					
At 31 May 2021	<u>254,803</u>	<u>10,805</u>	<u>199,266</u>	<u>2</u>	<u>464,876</u>
At 31 May 2020	<u>157,236</u>	<u>13,665</u>	<u>295,195</u>	<u>2</u>	<u>466,098</u>

7. Debtors

	2021 £	2020 £
Trade debtors	12,845	116,532
Other debtors	64,584	53,834
	<u>77,429</u>	<u>170,366</u>

AG WATSON & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MAY 2021

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	37,143	56,951
Corporation tax	65,055	76,525
Social security and other taxes	1,421	1,359
Other creditors	849,191	886,887
	<u>952,810</u>	<u>1,021,722</u>

Included within creditors falling due within one year are hire purchase contracts of £20,667 (2020: £55,000) secured over the assets to which they relate.

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

	2021	2020
	£	£
Other creditors	<u>20,667</u>	<u>—</u>

Included within creditors falling due after more than one year are hire purchase contracts of £20,667 (2020: £nil) secured over the assets to which they relate.

10. Directors' Advances, Credits and Guarantees

During the year the directors entered into the following advances and credits with the company:

2021				
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr J. T. Watson	<u>—</u>	<u>5,108</u>	<u>(5,108)</u>	<u>—</u>
2020				
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr J. T. Watson	<u>—</u>	<u>47,593</u>	<u>(47,593)</u>	<u>—</u>