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**W. & H. S. EMERY COMPANY LIMITED**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**Company Registration No. 00194760 (England and Wales)**

# W. & H. S. EMERY COMPANY LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr R A Lomas Mrs C J Jones Mr J E Hipkins
<b>Secretary</b>	Mr P Welch
<b>Company number</b>	00194760
<b>Registered office</b>	Parr Building Centre Dunnings Bridge Road Bootle Merseyside L30 6UU
<b>Accountants</b>	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL

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# **W. & H. S. EMERY COMPANY LIMITED**

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# **W. & H. S. EMERY COMPANY LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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The directors present their annual report and financial statements for the year ended 31 December 2018.

### **Principal activities**

The principal activity of the company in the year under review was that of builders merchants.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R A Lomas  
Mrs C J Jones  
Mr J E Hipkins

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board



Mr P Welch  
**Secretary**

23 September 2019

# **W. & H. S. EMERY COMPANY LIMITED**

## **REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF W. & H. S. EMERY COMPANY LIMITED**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of W. & H. S. Emery Company Limited for the year ended 31 December 2018 set out on pages 3 to 13 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 W. & H. S. Emery Company Limited, as a body, in accordance with the terms of our engagement letter dated 17 May 2019. Our work has been undertaken solely to prepare for your approval the financial statements of W. & H. S. Emery Company Limited and state those matters that we have agreed to state to the Board of Directors of W. & H. S. Emery Company Limited, 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 W. & H. S. Emery Company Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that W. & H. S. Emery Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of W. & H. S. Emery Company Limited. You consider that W. & H. S. Emery Company Limited 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 financial statements of W. & H. S. Emery Company Limited. 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 financial statements.

**DSG**

23 September 2019

**Chartered Accountants**

Castle Chambers  
43 Castle Street  
Liverpool  
L2 9TL

# W. & H. S. EMERY COMPANY LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 £	2017 £
Turnover	13,406,734	12,456,424
Cost of sales	(9,956,114)	(9,294,261)
<b>Gross profit</b>	<b>3,450,620</b>	<b>3,162,163</b>
Distribution costs	(1,500,328)	(1,381,081)
Administrative expenses	(1,389,033)	(1,250,914)
<b>Operating profit</b>	<b>561,259</b>	<b>530,168</b>
Interest receivable and similar income	77	70
<b>Profit before taxation</b>	<b>561,336</b>	<b>530,238</b>
Tax on profit	(109,295)	(105,363)
<b>Profit for the financial year</b>	<b>452,041</b>	<b>424,875</b>
Retained earnings brought forward as previously reported	1,668,657	1,248,782
Dividends	(6,000)	(5,000)
<b>Retained earnings carried forward</b>	<b>2,114,698</b>	<b>1,668,657</b>

# W. & H. S. EMERY COMPANY LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	3		227,465		187,066
<b>Current assets</b>					
Stocks		1,219,259		1,119,556	
Debtors	4	2,362,195		1,929,773	
Cash at bank and in hand		76,834		182,602	
		3,658,288		3,231,931	
<b>Creditors: amounts falling due within one year</b>	5	(1,712,291)		(1,689,857)	
<b>Net current assets</b>			1,945,997		1,542,074
<b>Total assets less current liabilities</b>			2,173,462		1,729,140
<b>Provisions for liabilities</b>			(51,560)		(53,279)
<b>Net assets</b>			2,121,902		1,675,861
<b>Capital and reserves</b>					
Called up share capital	7		2,214		2,214
Share premium account			4,990		4,990
Profit and loss reserves			2,114,698		1,668,657
<b>Total equity</b>			2,121,902		1,675,861

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

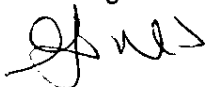
# **W. & H. S. EMERY COMPANY LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2018**

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The financial statements were approved by the board of directors and authorised for issue on 23 September 2019 and are signed on its behalf by:



Mrs C J Jones  
Director

Company Registration No. 00194760

# W. & H. S. EMERY COMPANY LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2017	2,214	4,990	1,248,782	1,255,986
Year ended 31 December 2017:				
Profit and total comprehensive income for the year	-	-	424,875	424,875
Dividends	-	-	(5,000)	(5,000)
Balance at 31 December 2017	2,214	4,990	1,668,657	1,675,861
Year ended 31 December 2018:				
Profit and total comprehensive income for the year	-	-	452,041	452,041
Dividends	-	-	(6,000)	(6,000)
Balance at 31 December 2018	2,214	4,990	2,114,698	2,121,902

# W. & H. S. EMERY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

#### Company information

W. & H. S. Emery Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Parr Building Centre, Dunning Bridge Road, Bootle, Merseyside, L30 6UU.

#### 1.1 Accounting convention

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.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Machinery and fixtures	15% and 25% straight line
Motor vehicles	25% and 33 1/3% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# W. & H. S. EMERY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell, using the first in first out method. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# W. & H. S. EMERY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### **Classification of financial liabilities**

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 company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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 company after deducting all of its liabilities.

### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# W. & H. S. EMERY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.9 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 54 (2017 - 49).

# W. & H. S. EMERY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 3 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2018	765,300
Additions	130,176
Disposals	(46,165)
At 31 December 2018	849,311
<b>Depreciation and impairment</b>	
At 1 January 2018	578,234
Depreciation charged in the year	76,027
Eliminated in respect of disposals	(32,415)
At 31 December 2018	621,846
<b>Carrying amount</b>	
At 31 December 2018	227,465
At 31 December 2017	187,066

### 4 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,854,355	1,632,956
Amounts owed by group undertakings	210,820	1,575
Other debtors	295,354	295,242
	2,360,529	1,929,773
<b>Amounts falling due after more than one year:</b>		
Deferred tax asset	1,666	-
<b>Total debtors</b>	2,362,195	1,929,773

Amounts owed by group undertakings are interest free, have no fixed date of repayment and are repayable upon demand.

# W. & H. S. EMERY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

### 5 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,281,241	1,179,730
Amounts owed to group undertakings	24,021	103,960
Corporation tax	112,680	115,462
Other taxation and social security	160,651	143,882
Other creditors	133,698	146,823
	<u>1,712,291</u>	<u>1,689,857</u>

### 6 Retirement benefit schemes

	2018 £	2017 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>44,744</u>	<u>39,548</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The company also pays into the Joseph Parr Pension & Life Assurance Scheme, which is a defined benefit pension scheme. W & H S Emery Limited are not liable for any deficit/surplus on the scheme, accordingly pension payments of £8,904 (2017: £8,480) have been treated as defined contribution payments in accordance with FRS 102. These pension payments are included in the total above.

### 7 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,504 Ordinary Shares of £1 each	1,504	1,504
10 A Ordinary Shares of £1 each	10	10
	<u>1,514</u>	<u>1,514</u>
<b>Preference share capital</b>		
<b>Issued and fully paid</b>		
700 4.2% Preference Shares (formerly 6% gross) of £1 each	<u>700</u>	<u>700</u>
<b>Total equity share capital</b>	<u>2,214</u>	<u>2,214</u>

The A Ordinary shares shall have the same voting rights as the existing Ordinary shares, shall have the right to a dividend in favour of the A Ordinary shares and be entitled to and participate in any return of capital by the Company to its shareholders.

# W. & H. S. EMERY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 8 Financial commitments, guarantees and contingent liabilities

The company has given a joint and several guarantee and a fixed and floating charge to secure its own indebtedness and the indebtedness of other companies in the group to the group's bankers. At the Balance Sheet date the maximum liability for the company amounted to £nil (2017: £nil).

### 9 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
Within one year	172,266	170,067
Between two and five years	464,882	161,463
In over five years	29,487	-
	<u>666,635</u>	<u>331,530</u>

### 10 Parent company

The parent company is Joseph Parr Group Limited, a company incorporated in Great Britain and registered in England and Wales and registered office is Parr Building Centre, Dunning's Bridge Road, Bootle, Merseyside, L30 6UU. Joseph Parr Group Limited prepares consolidated financial statements which includes W & H S Emery Company Limited.

The smallest and largest group into which the results of this entity are consolidated is that headed by Joseph Parr Group Limited.

Joseph Parr Group Limited is controlled by Mr R A Lomas.