

Sims Garden Machinery Limited
Filleted Unaudited Financial Statements
30 September 2017

BSN ASSOCIATES LIMITED

Chartered accountant
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG



Sims Garden Machinery Limited

Financial Statements

Year ended 30 September 2017

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Sims Garden Machinery Limited

Officers and Professional Advisers

Director	B A Sims
Company secretary	C S Sims
Registered office	20-21 The Waterways (Off Birmingham Road) Stratford on Avon Warwickshire CV37 0AW
Accountants	BSN Associates Limited Chartered accountant 3B Swallowfield Courtyard Wolverhampton Road Oldbury West Midlands B69 2JG

Sims Garden Machinery Limited

Chartered Accountant's Report to the Director on the Preparation of the Unaudited Statutory Financial Statements of Sims Garden Machinery Limited

Year ended 30 September 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Sims Garden Machinery Limited for the year ended 30 September 2017, which comprise the statement of financial position and the related notes 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 www.icaew.com/en/membership/regulations-standards-and-guidance.

This report is made solely to the director of Sims Garden Machinery Limited in accordance with the terms of our engagement letter dated 7 March 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Sims Garden Machinery Limited and state those matters that we have agreed to state to you in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sims Garden Machinery Limited and its director for our work or for this report.

It is your duty to ensure that Sims Garden Machinery 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 Sims Garden Machinery Limited. You consider that Sims Garden Machinery 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 Sims Garden Machinery 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.

BSN Associates Limited
BSN ASSOCIATES LIMITED
Chartered accountant

3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Sims Garden Machinery Limited

Statement of Financial Position

30 September 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	911,777	915,654
Current assets			
Stocks		331,024	291,021
Debtors	6	12,499	19,498
Investments	7	–	14,641
Cash at bank and in hand		22,736	818
		<u>366,259</u>	<u>325,978</u>
Creditors: amounts falling due within one year	8	209,044	182,893
Net current assets		<u>157,215</u>	<u>143,085</u>
Total assets less current liabilities		1,068,992	1,058,739
Creditors: amounts falling due after more than one year	9	36,400	20,000
Provisions	10	3,271	6,542
Net assets		<u>1,029,321</u>	<u>1,032,197</u>
Capital and reserves			
Called up share capital	12	16,200	16,200
Capital redemption reserve	13	15,800	15,800
Profit and loss account	13	997,321	1,000,197
Member funds		<u>1,029,321</u>	<u>1,032,197</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 30 September 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges his 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.

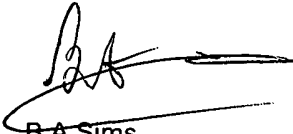
The notes on pages 5 to 11 form part of these financial statements.

Sims Garden Machinery Limited

Statement of Financial Position *(continued)*

30 September 2017

These financial statements were approved by the board of directors and authorised for issue on 7 March 2018, and are signed on behalf of the board by:



B A Sims
Director

Company registration number: 00308487

The notes on pages 5 to 11 form part of these financial statements.

Sims Garden Machinery Limited

Notes to the Financial Statements

Year ended 30 September 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 20-21 The Waterways, (Off Birmingham Road), Stratford on Avon, Warwickshire, CV37 0AW.

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, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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 October 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 17.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

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 policies used by management in preparing these accounts are detailed below. No significant estimate or judgements have been made when preparing these accounts.

Revenue recognition

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

Sims Garden Machinery Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

3. Accounting policies *(continued)*

Revenue recognition *(continued)*

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership 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.

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.

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.

Sims Garden Machinery Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

3. Accounting policies *(continued)*

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	-	15% reducing balance
Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	33% straight line

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.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

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.

Sims Garden Machinery Limited

Notes to the Financial Statements (continued)

Year ended 30 September 2017

3. Accounting policies (continued)

Defined contribution plans (continued)

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 12 (2016: 12).

5. Tangible assets

	Freehold property £	Plant and Fixtures and machinery £	fittings £	Motor vehicles £	Equipment £	Total £
Cost						
At 1 Oct 2016	941,816	107,409	82,904	80,576	23,101	1,235,806
Additions	—	—	4,766	45,404	—	50,170
Disposals	—	—	—	(33,735)	—	(33,735)
At 30 Sep 2017	941,816	107,409	87,670	92,245	23,101	1,252,241
Depreciation						
At 1 Oct 2016	111,526	83,009	66,696	36,594	22,327	320,152
Charge for the year	14,250	3,660	2,967	14,043	774	35,694
Disposals	—	—	—	(15,382)	—	(15,382)
At 30 Sep 2017	125,776	86,669	69,663	35,255	23,101	340,464
Carrying amount						
At 30 Sep 2017	816,040	20,740	18,007	56,990	—	911,777
At 30 Sep 2016	830,290	24,400	16,208	43,982	774	915,654

Included within Freehold property is freehold land of £229,293 (2016: £229,293) which is not depreciated.

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Fixtures and fittings £	Motor vehicles £	Total £
At 30 September 2017	4,230	39,729	43,959
At 30 September 2016	—	26,180	26,180

Sims Garden Machinery Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

6. Debtors

	2017	2016
	£	£
Trade debtors	<u>12,499</u>	<u>19,498</u>

7. Investments

	2017	2016
	£	£
Insurance investment	<u>–</u>	<u>14,641</u>

The investment included above relates to an insurance policy. The policy paid out during the year resulting in the value of units held at year end being £Nil (2016: £22,965).

8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	8,210	21,539
Trade creditors	105,156	98,867
Accruals and deferred income	1,850	1,850
Corporation tax	17,326	12,553
Social security and other taxes	34,115	41,945
Obligations under finance leases and hire purchase contracts	11,187	6,139
Other creditors	31,200	–
	<u>209,044</u>	<u>182,893</u>

Assets held under hire purchase are secured over the specific assets they finance.

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

	2017	2016
	£	£
Obligations under finance leases and hire purchase contracts	16,400	–
Director loan accounts	20,000	20,000
	<u>36,400</u>	<u>20,000</u>

Assets held under hire purchase are secured over the specific assets they finance.

Sims Garden Machinery Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

10. Provisions

	Deferred tax (note 11) £
At 1 October 2016	6,542
Charge against provision	(3,271)
At 30 September 2017	<u>3,271</u>

11. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2017 £	2016 £
Included in provisions (note 10)	<u>3,271</u>	<u>6,542</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017 £	2016 £
Accelerated capital allowances	<u>3,271</u>	<u>6,542</u>

12. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	15,600	15,600	15,600	15,600
"A" Ordinary shares of £1 each	600	600	600	600
	<u>16,200</u>	<u>16,200</u>	<u>16,200</u>	<u>16,200</u>

The ordinary shares and the A ordinary shares rank pari passu in all respects except in relation to dividends where dividends can be voted to each class of dividend as the directors determine and the A ordinary shares do not carry the right to vote at the annual general meeting or count towards a quorum.

13. Reserves

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

Profit and loss account - This reserve records retained earnings and accumulated losses.

Sims Garden Machinery Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2017

14. Director's advances, credits and guarantees

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

	Balance brought forward and outstanding	
	2017	2016
	£	£
B A Sims	<u>(20,000)</u>	<u>(20,000)</u>

15. Related party transactions

Mr B A Sims purchased a fixed asset from the company at market value of £15,700 (2016: £Nil) during the year, he also received interest of £2,000 (2016: £2,000) on money he loaned to the company.

16. Controlling party

The company was controlled by Mr B Sims during the current and prior year.

17. Transition to FRS 102

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

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