

P.J. AYRES & SONS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



P.J. AYRES & SONS LIMITED
REGISTERED NUMBER: 00346797

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	2018 £	2017 £
Fixed assets			
Investment property	5	1,150,000	1,150,000
Current assets			
Debtors: amounts falling due within one year	6	6,357	6,534
Cash at bank and in hand		91,387	65,914
		<u>97,744</u>	<u>72,448</u>
Creditors: amounts falling due within one year	7	(20,698)	(15,536)
Net current assets		<u>77,046</u>	<u>56,912</u>
Provisions for liabilities			
Deferred tax	8	(46,708)	(28,000)
		<u>(46,708)</u>	<u>(28,000)</u>
Net assets		<u><u>1,180,338</u></u>	<u><u>1,178,912</u></u>

P.J. AYRES & SONS LIMITED
REGISTERED NUMBER: 00346797

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2018

	Note	2018 £	2017 £
Capital and reserves			
Called up share capital	9	1,000	1,000
Share premium account		54,600	54,600
Capital redemption reserve		14,967	14,967
Profit and loss account		1,109,771	1,108,345
		<u>1,180,338</u>	<u>1,178,912</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

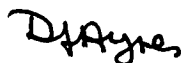
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The 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.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Mrs D J Ayres
Director

Date: 28.03.2019

The notes on pages 4 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

1. General information

P.J. Ayres & Sons Limited is a private Company, limited by shares, incorporated in England and Wales, registration number 00346797. The address of its registered office is R+, 2 Blagrove Street, Reading, Berkshire, RG1 1AZ.

The principal activity of the Company during the year was that of holding investment properties and renting them out.

The financial statements are prepared in pounds sterling (£) and figures are rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Turnover

Turnover represents rents receivable from properties held by the Company during the year.

2.3 Investment property

Investment property is carried at fair value determined annually by directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of income and retained earnings.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

2. Accounting policies (continued)

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

2.9 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical evidence and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Due to the nature of the company, the only area where there are significant judgments which would affect the amounts recognised in the financial statements is the valuation of properties. This has been recognised based on market conditions and external information.

4. Employees

The average monthly number of employees, including directors, during the year was 3 (2017 - 3).

P.J. AYRES & SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

5. Investment property

	Freehold investment property £
Valuation	
At 1 July 2017	1,150,000
At 30 June 2018	<u><u>1,150,000</u></u>
Comprising	
Cost	94,027
Annual revaluation surplus/(deficit):	
Pre 2010	1,005,973
2013	(300,000)
2017	350,000
At 30 June 2018	<u><u>1,150,000</u></u>

The valuations were made by the directors, on an open market value for existing use basis.

At 30 June 2018

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2018 £	2017 £
Historic cost	94,027	94,027
	<u><u>94,027</u></u>	<u><u>94,027</u></u>

P.J. AYRES & SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

6. Debtors

	2018	2017
	£	£
Other debtors	5,556	5,556
Prepayments and accrued income	801	978
	6,357	6,534

7. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Other taxation and social security	1,109	-
Other creditors - rent deposits	6,000	6,000
Accruals and deferred income	13,589	9,536
	20,698	15,536

8. Deferred taxation

	2018
	£
Charged to profit or loss	(46,708)
At end of year	(46,708)

The provision for deferred taxation is made up as follows:

	2018
	£
Tax on revaluation	(46,708)
	(46,708)

P.J. AYRES & SONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

9. Share capital

	2018	2017
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £34,667 (2017 - £52,000). Contributions totalling £nil (2017 - £nil) were payable to the fund at the reporting date and are included in creditors.

11. Related party transactions

Mr D J Ayres is a director and shareholder of the Company.

There has been movement on the directors loan account for the year. The balance outstanding at the end of the year was £5,142 (2017 - £5,142).

12. Controlling party

The company is under the control of the directors.