

Company Registration No. 00666660 (England and Wales)

COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

PAGES FOR FILING WITH REGISTRAR

COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

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COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Investment properties	3		770,000		770,000
Current assets					
Trade and other receivables	4	17,814		14,359	
Cash and cash equivalents		3,624		27,514	
		<u>21,438</u>		<u>41,873</u>	
Current liabilities	5	(47,788)		(47,473)	
Net current liabilities			(26,350)		(5,600)
Total assets less current liabilities			743,650		764,400
Provisions for liabilities			(72,127)		(75,923)
Net assets			<u>671,523</u>		<u>688,477</u>
Equity					
Called up share capital	6	18,500		18,500	
Capital redemption reserve		5,000		5,000	
Retained earnings		648,023		664,977	
Total equity			<u>671,523</u>		<u>688,477</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 August 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small 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 and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 AUGUST 2017

The financial statements were approved by the board of directors and authorised for issue on 24 May 2018 and are signed on its behalf by:

P Aldersley
Director

P Pithers
Director

Company Registration No. 00666660

COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 AUGUST 2017

	Share capital	Revaluation reserve	Capital redemption reserve	Retained earnings	Total
Notes	£	£	£	£	£
Balance at 1 September 2015	18,500	-	5,000	677,629	701,129
Year ended 31 August 2016:					
Profit and total comprehensive income for the year	-	-	-	23,348	23,348
Dividends	-	-	-	(36,000)	(36,000)
Balance at 31 August 2016	18,500	-	5,000	664,977	688,477
Year ended 31 August 2017:					
Profit and total comprehensive income for the year	-	-	-	17,646	17,646
Dividends	-	-	-	(34,600)	(34,600)
Balance at 31 August 2017	18,500	-	5,000	648,023	671,523

COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Company information

Coventry Construction & Fabrication Company Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 42 Queens Road, Coventry, West Midlands, CV1 3DX.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 August 2017 are the first financial statements of Coventry Construction & Fabrication Company Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 8.

1.2 Revenue

Revenue 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue 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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as property, plant and equipment.

COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.4 Cash and cash equivalents

Cash and cash equivalents 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.

1.5 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 statement of financial position 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 trade and other receivables 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.

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 trade and other payables, 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 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 income statement 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.

COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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 income statement, 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.

1.8 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 non-current 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2016 - 2).

3 Investment property

2017

£

Fair value

At 1 September 2016 and 31 August 2017

770,000

Investment property comprises leasehold land and buildings. The fair value of the investment property has been arrived at by the directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

4 Trade and other receivables

	2017	2016
	£	£
Amounts falling due within one year:		
Trade receivables	8,086	11,340
Other receivables	9,728	3,019
	<u>17,814</u>	<u>14,359</u>

COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

5 Current liabilities

	2017 £	2016 £
Other taxation and social security	6,664	7,892
Other payables	41,124	39,581
	<u>47,788</u>	<u>47,473</u>

6 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
18,500 Ordinary shares of £1 each	18,500	18,500
	<u>18,500</u>	<u>18,500</u>

7 Directors' transactions

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
N Aldersley - directors loan	-	19,736	10,000	(20,000)	9,736
P Aldersley - directors Loan	-	8,893	150	-	9,043
		<u>28,629</u>	<u>10,150</u>	<u>(20,000)</u>	<u>18,779</u>

8 Reconciliations on adoption of FRS 102

Reconciliation of equity

	Notes	1 September 2015 £	31 August 2016 £
Equity as reported under previous UK GAAP		579,052	553,400
Adjustments arising from transition to FRS 102:			
Investment property valuation	1	120,000	120,000
Deferred tax provision	2	(75,923)	(75,923)
Removal of depreciation at transition	3	78,000	78,000
Removal of depreciation in prior year	3	-	13,000
Equity reported under FRS 102		<u>701,129</u>	<u>688,477</u>

COVENTRY CONSTRUCTION & FABRICATION COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of profit for the financial period

	Notes	2016 £
Profit as reported under previous UK GAAP		10,348
Adjustments arising from transition to FRS 102:		
Investment property valuation	1	-
Deferred tax provision	2	-
Removal of depreciation at transition	3	-
Removal of depreciation in prior year	3	13,000
Profit reported under FRS 102		23,348

Notes to reconciliations on adoption of FRS 102

(1) Investment property valuation

FRS 102 requires investment properties to be valued at fair value and any gains or losses to be taken to the profit and loss account.

(2) Deferred tax provision

FRS 102 requires that any increase in value of investment properties is matched with an appropriate deferred tax provision.

(3) Removal of depreciation

Depreciation previously charged on investment property has been removed so that the fair value method can be applied in order to comply with FRS 102.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.