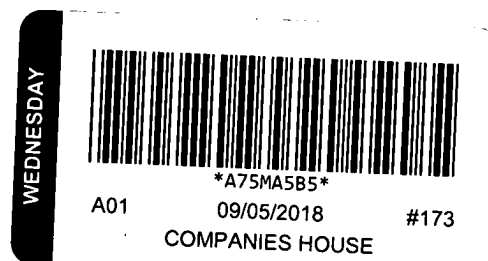


**ARTHUR HOUGH & SONS LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 28 FEBRUARY 2018**



**ARTHUR HOUGH & SONS LIMITED**  
**REGISTERED NUMBER: 00927416**

**BALANCE SHEET**  
**AS AT 28 FEBRUARY 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	2,098,511	2,109,444
		<u>2,098,511</u>	<u>2,109,444</u>
<b>Current assets</b>			
Stocks	5	812,298	769,561
Debtors: amounts falling due within one year	6	704,353	692,494
Bank and cash balances		5,009	33,467
		<u>1,521,660</u>	<u>1,495,522</u>
Creditors: amounts falling due within one year	7	(1,137,066)	(1,165,703)
<b>Net current assets</b>		<u>384,594</u>	<u>329,819</u>
<b>Total assets less current liabilities</b>		<u>2,483,105</u>	<u>2,439,263</u>
Creditors: amounts falling due after more than one year	8	(339,353)	(330,091)
<b>Net assets</b>		<u><u>2,143,752</u></u>	<u><u>2,109,172</u></u>
<b>Capital and reserves</b>			
Called up share capital		40,000	40,000
Profit and loss account		2,103,752	2,069,172
		<u><u>2,143,752</u></u>	<u><u>2,109,172</u></u>

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**ARTHUR HOUGH & SONS LIMITED**  
**REGISTERED NUMBER: 00927416**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 28 FEBRUARY 2018**

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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.

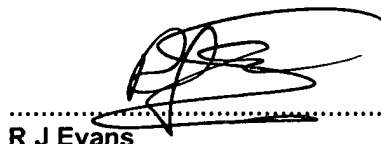
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account 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 on 26 April 2018.

  
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**B Appleby**  
Director

  
.....  
**R J Evans**  
Director

The notes on pages 3 to 8 form part of these financial statements.

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## ARTHUR HOUGH & SONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

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#### 1. GENERAL INFORMATION

Arthur Hough & Sons Limited manufacture keys and key blanks, wire and strip formed components, metal pressings and suspended ceiling accessories.

The company is a private limited company, limited by shares, (registered number 00927416) and is incorporated and domiciled in England and Wales. The address and registered office of the company is Hilton Cross Business Park, Cannock Road, Wolverhampton, West Midlands, WV10 7QZ.

#### 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 following principal accounting policies have been applied:

##### 2.2 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 2.3 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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## ARTHUR HOUGH & SONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018

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## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.3 TANGIBLE FIXED ASSETS (CONTINUED)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Freehold property	- 50 years
Plant and machinery	- 10 years
Fixtures and fittings	- Between 5 and 10 years
Office equipment	- 3 years
Other fixed assets	- 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

### 2.4 STOCK AND WORK IN PROGRESS

Stock and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

### 2.5 DEBTORS

Short term debtors are measured at transaction price, less any impairment.

### 2.6 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument 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.

### 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 FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

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## **ARTHUR HOUGH & SONS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2018**

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## **2. ACCOUNTING POLICIES (CONTINUED)**

### **2.9 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

### **2.10 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.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

## **3. EMPLOYEES**

The average monthly number of employees, including directors, during the year was 35 (2017 - 30).

**ARTHUR HOUGH & SONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2018**

**4. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery £	Furniture, fittings and equipment £	Other fixed assets £	Total £
<b>COST OR VALUATION</b>					
At 1 March 2017	2,539,631	1,212,025	717,526	600,294	5,069,476
Additions	-	8,408	27,268	23,146	58,822
Disposals	-	-	(12,928)	-	(12,928)
At 28 February 2018	2,539,631	1,220,433	731,866	623,440	5,115,370
<b>DEPRECIATION</b>					
At 1 March 2017	493,521	1,185,532	711,174	569,805	2,960,032
Charge for the year on owned assets	44,296	7,688	3,762	11,854	67,600
Charge for the year on financed assets	-	-	2,155	-	2,155
Disposals	-	-	(12,928)	-	(12,928)
At 28 February 2018	537,817	1,193,220	704,163	581,659	3,016,859
<b>NET BOOK VALUE</b>					
At 28 February 2018	2,001,814	27,213	27,703	41,781	2,098,511
At 28 February 2017	2,046,110	26,493	6,352	30,489	2,109,444

Included in land and buildings is freehold land at a cost £300,000 (2017 - £300,000) which is not depreciated.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Furniture, fittings and equipment	23,703	-
	23,703	-

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**ARTHUR HOUGH & SONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2018**

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**5. STOCKS**

	2018 £	2017 £
Raw materials and consumables	126,066	117,682
Work in progress (goods to be sold)	190,208	168,888
Finished goods and goods for resale	496,024	482,991
	<u>812,298</u>	<u>769,561</u>

**6. DEBTORS**

	2018 £	2017 £
Trade debtors	616,211	638,830
Other debtors	88,142	53,664
	<u>704,353</u>	<u>692,494</u>

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Bank overdrafts	-	454,846
Bank loans	16,744	33,222
Trade creditors	478,332	501,800
Corporation tax	100	-
Other taxation and social security	69,948	70,601
Obligations under finance lease and hire purchase contracts	23,034	-
Other creditors	521,030	67,847
Accruals and deferred income	27,878	37,387
	<u>1,137,066</u>	<u>1,165,703</u>

Amounts included in net obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

Included in other creditors are amounts due to RBS Invoice Finance Limited of £487,829 (2017: £nil) which is secured by way of a fixed and floating charge over the assets of the company.



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**ARTHUR HOUGH & SONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2018**

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**8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>104,156</b>	<b>130,091</b>
Net obligations under finance leases and hire purchase contracts	<b>35,197</b>	<b>-</b>
Share capital treated as debt	<b>200,000</b>	<b>200,000</b>
	<b>339,353</b>	<b>330,091</b>

Amounts included in net obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

**9. LOANS**

Analysis of the maturity of loans is given below:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Bank loans	<b>16,744</b>	<b>33,222</b>
<b>AMOUNTS FALLING DUE 1-2 YEARS</b>		
Bank loans	<b>16,744</b>	<b>16,744</b>
<b>AMOUNTS FALLING DUE 2-5 YEARS</b>		
Bank loans	<b>50,233</b>	<b>50,233</b>
<b>AMOUNTS FALLING DUE AFTER MORE THAN 5 YEARS</b>		
Bank loans	<b>37,179</b>	<b>63,114</b>
	<b>120,900</b>	<b>163,313</b>

**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. No contributions were payable to the fund at the balance sheet date.