

Company Registration No. 03946135 (England and Wales)

**A. A. LOVEGROVE LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**  
**PAGES FOR FILING WITH REGISTRAR**

# A. A. LOVEGROVE LIMITED

## COMPANY INFORMATION

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<b>Director</b>	S J Lovegrove
<b>Secretary</b>	K Lovegrove
<b>Company number</b>	03946135
<b>Registered office</b>	1-7 Station Road Crawley West Sussex RH10 1HT
<b>Accountants</b>	Richard Place Dobson 1-7 Station Road Crawley West Sussex RH10 1HT

# A. A. LOVEGROVE LIMITED

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# A. A. LOVEGROVE LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		403,881		558,726
<b>Current assets</b>					
Stocks		189,342		259,219	
Debtors	4	81,388		262,071	
Cash at bank and in hand		100,753		86,857	
		<u>371,483</u>		<u>608,147</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(523,332)</u>		<u>(636,359)</u>	
<b>Net current liabilities</b>			(151,849)		(28,212)
<b>Total assets less current liabilities</b>			<u>252,032</u>		<u>530,514</u>
<b>Creditors: amounts falling due after more than one year</b>	6		(216,700)		(247,168)
<b>Provisions for liabilities</b>			<u>58,803</u>		<u>(3,203)</u>
<b>Net assets</b>			<u>94,135</u>		<u>280,143</u>
<b>Capital and reserves</b>					
Called up share capital	7		123		123
Profit and loss reserves			<u>94,012</u>		<u>280,020</u>
<b>Total equity</b>			<u>94,135</u>		<u>280,143</u>

The director of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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 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.

**A. A. LOVEGROVE LIMITED**

**BALANCE SHEET (CONTINUED)**

*AS AT 31 MARCH 2017*

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The financial statements were approved and signed by the director and authorised for issue on 22 December 2017

S J Lovegrove

**Director**

**Company Registration No. 03946135**

# A. A. LOVEGROVE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Company information

A. A. Lovegrove Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1-7 Station Road, Crawley, West Sussex, RH10 1HT.

#### 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 March 2017 are the first financial statements of A. A. Lovegrove Limited 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 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT, billable periodically in accordance with the stage of completion of each contract.

Revenue from contracts for the provision of building 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.

#### 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:

Land and buildings Freehold	Nil
Land and buildings Leasehold	Straight line over the lease term
Plant and machinery	15% Reducing balance
Fixtures, fittings & equipment	33% Straight line
Motor vehicles	25% 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.

## **A. A. LOVEGROVE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2017**

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#### **1 Accounting policies**

**(Continued)**

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in 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.

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**

Stock and work in progress comprises costs associated with the unbilled stage of completion of each contract at the year end. Stock and work in progress is valued at the lower of cost and net realisable value.

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.

## A. A. LOVEGROVE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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#### 1 Accounting policies (Continued)

##### 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.

##### *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.

##### 1.8 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.

##### 1.9 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.



## A. A. LOVEGROVE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

#### 1 Accounting policies (Continued)

##### *Deferred tax*

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. The deferred tax balance has not been discounted.

##### 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.

##### 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 income 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 lease asset are consumed.

#### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 17 (2016 - 17).

#### 3 Tangible fixed assets

	<b>Land and buildings</b>	<b>Plant and machinery etc</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2016	529,144	127,022	656,166
Additions	-	2,976	2,976
At 31 March 2017	529,144	129,998	659,142
<b>Depreciation and impairment</b>			
At 1 April 2016	10,819	86,621	97,440
Depreciation charged in the year	-	14,496	14,496
Impairment losses	143,325	-	143,325
At 31 March 2017	154,144	101,117	255,261
<b>Carrying amount</b>			
At 31 March 2017	375,000	28,881	403,881
At 31 March 2016	518,325	40,401	558,726

## A. A. LOVEGROVE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

#### 3 Tangible fixed assets (Continued)

The freehold land and buildings were purchased in the year ended 31 March 2007 and have been subsequently tested for impairment in the current year.

#### 4 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	9,982	47,085
Corporation tax recoverable	5,300	6,187
Other debtors	66,106	208,799
	<u>81,388</u>	<u>262,071</u>

Other debtors includes a loan of £35,334 (2016: £21,200) owed by the director to the company. No interest has been charged on this loan and the loan is repayable on demand.

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

	2017	2016
	£	£
Bank loans and overdrafts	142,776	29,436
Trade creditors	235,454	383,868
Corporation tax	74,337	94,849
Other taxation and social security	37,683	112,861
Other creditors	33,082	15,345
	<u>523,332</u>	<u>636,359</u>

The bank overdraft is secured by a mortgage debenture over the fixed and floating assets of the company and by a personal guarantee to £100,000 given by the director of the company.

#### 6 Creditors: amounts falling due after more than one year

	2017	2016
Notes	£	£
Bank loans	<u>216,700</u>	<u>247,168</u>

The bank loan is secured by a fixed charge over 37 Tinsley Lane, Three Bridges, Crawley, West Sussex, along with any fixtures and fittings and the goodwill of any business carried out at the property.

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>89,242</u>	<u>122,577</u>
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## A. A. LOVEGROVE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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<b>7</b>	<b>Called up share capital</b>		
		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<b>Ordinary share capital</b>		
	<b>Issued and fully paid</b>		
	75 A Ordinary shares of £1 each	75	75
	32 B Ordinary shares of £1 each	32	32
	16 C Ordinary shares of £1 each	16	16
		<u>123</u>	<u>123</u>
		<u><u>123</u></u>	<u><u>123</u></u>

### **8** 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:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
	102,321	107,893
	<u>102,321</u>	<u>107,893</u>
	<u><u>102,321</u></u>	<u><u>107,893</u></u>

### **9** Related party transactions

#### **Transactions with related parties**

During the year the company paid for expenses on behalf of the director totalling £14,134 (2016: £27,706). At the balance sheet date the director owed the company £35,334 (2016: £21,200).

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.