

Company Registration No. 03946135 (England and Wales)

A. A. LOVEGROVE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018
PAGES FOR FILING WITH REGISTRAR

A. A. LOVEGROVE LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

A. A. LOVEGROVE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	3		387,914		403,881
Current assets					
Stocks		55,756		189,342	
Debtors	4	107,153		81,388	
Cash at bank and in hand		37,696		100,753	
		<u>200,605</u>		<u>371,483</u>	
Creditors: amounts falling due within one year	5	<u>(586,554)</u>		<u>(523,332)</u>	
Net current liabilities			<u>(385,949)</u>		<u>(151,849)</u>
Total assets less current liabilities			1,965		252,032
Creditors: amounts falling due after more than one year	6		<u>(185,526)</u>		<u>(216,700)</u>
Provisions for liabilities			<u>67,975</u>		<u>58,803</u>
Net (liabilities)/assets			<u><u>(115,586)</u></u>		<u><u>94,135</u></u>
Capital and reserves					
Called up share capital	7		123		123
Profit and loss reserves			<u>(115,709)</u>		<u>94,012</u>
Total equity			<u><u>(115,586)</u></u>		<u><u>94,135</u></u>

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

For the financial year ended 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his 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.

A. A. LOVEGROVE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2018

The financial statements were approved and signed by the director and authorised for issue on 4 October 2018

S J Lovegrove

Director

Company Registration No. 03946135

A. A. LOVEGROVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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.

1.2 Going concern

At the balance sheet date the company's liabilities exceeded its assets but the director confirms that there are sufficient ongoing projects being undertaken that will, in due course, redress this negative position. On that basis it is considered appropriate that these accounts are prepared on a going concern basis.

1.3 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.

1.4 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 2018

1 Accounting policies

(Continued)

1.5 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.

1.6 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.

1.7 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.

1.8 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.

A. A. LOVEGROVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

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.

1.9 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.

1.10 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.

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.

1.11 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.

A. A. LOVEGROVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 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 12 (2017 - 17).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2017	385,819	129,998	515,817
Additions	-	1,275	1,275
Disposals	-	(724)	(724)
At 31 March 2018	<u>385,819</u>	<u>130,549</u>	<u>516,368</u>
Depreciation and impairment			
At 1 April 2017	10,819	101,117	111,936
Depreciation charged in the year	-	11,996	11,996
Impairment losses	5,000	-	5,000
Eliminated in respect of disposals	-	(478)	(478)
At 31 March 2018	<u>15,819</u>	<u>112,635</u>	<u>128,454</u>
Carrying amount			
At 31 March 2018	<u>370,000</u>	<u>17,914</u>	<u>387,914</u>
At 31 March 2017	<u>375,000</u>	<u>28,881</u>	<u>403,881</u>

The freehold land and buildings were purchased in the year ended 31 March 2007 and have been subsequently tested for impairment in accordance with the company's accounting policy.

A. A. LOVEGROVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Debtors	2018	2017
Amounts falling due within one year:	£	£
Trade debtors	34,196	9,982
Corporation tax recoverable	5,300	5,300
Other debtors	67,657	66,106
	<u>107,153</u>	<u>81,388</u>
	<u><u>107,153</u></u>	<u><u>81,388</u></u>
5 Creditors: amounts falling due within one year	2018	2017
	£	£
Bank loans and overdrafts	30,806	142,776
Trade creditors	398,608	235,454
Corporation tax	19,443	74,337
Other taxation and social security	67,664	37,683
Other creditors	70,033	33,082
	<u>586,554</u>	<u>523,332</u>
	<u><u>586,554</u></u>	<u><u>523,332</u></u>
6 Creditors: amounts falling due after more than one year	2018	2017
	£	£
Bank loans	185,526	216,700
	<u>185,526</u>	<u>216,700</u>
	<u><u>185,526</u></u>	<u><u>216,700</u></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	55,136	89,242
	<u>55,136</u>	<u>89,242</u>
	<u><u>55,136</u></u>	<u><u>89,242</u></u>

A. A. LOVEGROVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
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>

8 Contingent liabilities and assets

During the year, the company was informed of a possible financial dispute with a former supplier. The supplier claims to be owed money by the company for an uncompleted project. However the company and its solicitors argue the company is in fact owed money by the supplier in question. No provision has been made in these financial statements as the management do not consider that there is any probable loss.

9 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:

2018	2017
£	£
58,122	102,321

10 Related party transactions

Transactions with related parties

During the year the company paid for expenses on behalf of the director totalling £10,547 (2017: £14,134), repayments of £14,134 (2017: £nil) were made during the year by the director. At the balance sheet date the director owed the company £31,747 (2017: £35,334). No interest has been charged on this loan and the loan is repayable on demand.

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.