

# A & A Nicholson Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2019

Gibbons  
Chartered Accountants  
2 Europe Way  
Cockermouth  
Cumbria  
CA13 0RJ

# A & A Nicholson Limited

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# A & A Nicholson Limited

## Company Information

**Directors** Mr A Nicholson  
Mrs A J Nicholson

**Company secretary** Mrs A J Nicholson

**Registered office** Carse Mains Farm  
Auldgirth  
Dumfries  
Dumfriesshire  
DG2 0SA

**Accountants** Gibbons  
Chartered Accountants  
2 Europe Way  
Cockermouth  
Cumbria  
CA13 0RJ

**A & A Nicholson Limited**  
**(Registration number: SC299148)**  
**Balance Sheet as at 31 March 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	<u>3</u>	49,616	57,955
<b>Current assets</b>			
Stocks	<u>4</u>	227,762	253,724
Debtors	<u>5</u>	6,531	(10,329)
Cash at bank and in hand		129,307	116,749
		<u>363,600</u>	<u>360,144</u>
<b>Creditors: Amounts falling due within one year</b>	<u>6</u>	(83,476)	(113,150)
<b>Net current assets</b>		<u>280,124</u>	<u>246,994</u>
<b>Total assets less current liabilities</b>		329,740	304,949
<b>Creditors: Amounts falling due after more than one year</b>	<u>6</u>	(4,560)	(10,560)
<b>Provisions for liabilities</b>		<u>(9,427)</u>	<u>(11,591)</u>
<b>Net assets</b>		<u>315,753</u>	<u>282,798</u>
<b>Capital and reserves</b>			
Called up share capital	<u>7</u>	100	100
Profit and loss account		315,653	282,698
Total equity		<u>315,753</u>	<u>282,798</u>

For the financial year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

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

**A & A Nicholson Limited**  
**(Registration number: SC299148)**  
**Balance Sheet as at 31 March 2019**

Approved and authorised by the Board on 16 August 2019 and signed on its behalf by:

.....

Mr A Nicholson

Director

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

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# A & A Nicholson Limited

## Notes to the Financial Statements for the Year Ended 31 March 2019

### 1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Carse Mains Farm  
Auldgirth  
Dumfries  
Dumfriesshire  
DG2 0SA  
Scotland

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

#### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

## A & A Nicholson Limited

### Notes to the Financial Statements for the Year Ended 31 March 2019

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 taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	15% reducing balance basis
Motor vehicles	20% reducing balance basis

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

## **A & A Nicholson Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2019**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.



## A & A Nicholson Limited

### Notes to the Financial Statements for the Year Ended 31 March 2019

#### 3 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>			
At 1 April 2018	83,780	17,530	101,310
Additions	755	-	755
At 31 March 2019	84,535	17,530	102,065
<b>Depreciation</b>			
At 1 April 2018	31,569	11,786	43,355
Charge for the year	7,945	1,149	9,094
At 31 March 2019	39,514	12,935	52,449
<b>Carrying amount</b>			
At 31 March 2019	45,021	4,595	49,616
At 31 March 2018	52,211	5,744	57,955

#### 4 Stocks

	2019 £	2018 £
Raw materials and consumables	222,198	232,588
Work in progress	5,564	21,136
	227,762	253,724

## A & A Nicholson Limited

### Notes to the Financial Statements for the Year Ended 31 March 2019

#### 5 Debtors

	2019 £	2018 £
Trade debtors	4,534	2,480
Other debtors	1,997	(12,809)
	6,531	(10,329)
Total current trade and other debtors	6,531	(10,329)

#### 6 Creditors

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

	Note	2019 £	2018 £
<b>Due within one year</b>			
Loans and borrowings	<u>8</u>	6,125	6,125
Trade creditors		15,881	56,812
Taxation and social security		(1,806)	(8,031)
Other creditors		54,942	54,742
Corporation tax control		8,334	3,502
		83,476	113,150
		83,476	113,150
<b>Due after one year</b>			
Loans and borrowings	<u>8</u>	4,560	10,560
		4,560	10,560

#### 7 Share capital

##### Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100
	100	100	100	100
	100	100	100	100

#### 8 Loans and borrowings

	2019 £	2018 £
<b>Non-current loans and borrowings</b>		
Hire purchase contracts	4,560	10,560
	4,560	10,560
	4,560	10,560

**A & A Nicholson Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Current loans and borrowings</b>		
Hire purchase contracts	<u>6,125</u>	<u>6,125</u>

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