

# A F Thomas & Sons Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2018

Ellis Lloyd Jones LLP  
11 Park Square  
Newport  
NP20 4EL

# A F Thomas & Sons Limited

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# **A F Thomas & Sons Limited**

## **Company Information**

<b>Director</b>	Mr A F Thomas
<b>Registered office</b>	Unit (H) 1C Mendalgief Retail Park Docks Way Newport NP20 2NY
<b>Accountants</b>	Ellis Lloyd Jones LLP 11 Park Square Newport NP20 4EL

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited  
Statutory Accounts of  
A F Thomas & Sons Limited  
for the Year Ended 31 March 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of A F Thomas & Sons Limited for the year ended 31 March 2018 as set out on pages 3 to 14 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of A F Thomas & Sons Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of A F Thomas & Sons Limited and state those matters that we have agreed to state to the Board of Directors of A F Thomas & Sons Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A F Thomas & Sons Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that A F Thomas & Sons Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of A F Thomas & Sons Limited. You consider that A F Thomas & Sons Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of A F Thomas & Sons Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

**Ellis Lloyd Jones LLP**

11 Park Square  
Newport  
NP20 4EL

7 August 2018

# A F Thomas & Sons Limited

(Registration number: 0650450)  
Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
Intangible assets not including goodwill	<u>4</u>	1,150	2,300
Tangible assets	<u>5</u>	333,839	497,109
Investment property	<u>6</u>	150,000	-
Other financial assets	<u>7</u>	37,783	35,123
		<u>522,772</u>	<u>534,532</u>
<b>Current assets</b>			
Stocks	<u>8</u>	304,740	345,609
Debtors	<u>9</u>	74,365	66,562
Cash at bank and in hand		344	-
		<u>379,449</u>	<u>412,171</u>
<b>Creditors:</b> Amounts falling due within one year	<u>10</u>	(424,238)	(423,934)
<b>Net current liabilities</b>		<u>(44,789)</u>	<u>(11,763)</u>
<b>Total assets less current liabilities</b>		477,983	522,769
<b>Creditors:</b> Amounts falling due after more than one year	<u>10</u>	(126,589)	(156,226)
<b>Provisions for liabilities</b>		<u>(40,988)</u>	<u>(35,564)</u>
<b>Net assets</b>		<u>310,406</u>	<u>330,979</u>
<b>Capital and reserves</b>			
Called up share capital	<u>12</u>	100	100
Capital redemption reserve		62	62
Revaluation reserve		236,448	244,553
Profit and loss account		<u>73,796</u>	<u>86,264</u>
Total equity		<u>310,406</u>	<u>330,979</u>

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

Director's 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 director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 6 to 14 form an integral part of these financial statements.

**A F Thomas & Sons Limited**

**(Registration number: 0650450)**  
**Balance Sheet as at 31 March 2018**

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.

Approved and authorised by the director on 7 August 2018

**Mr A F Thomas**

Director

The notes on pages 6 to 14 form an integral part of these financial statements.

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# A F Thomas & Sons Limited

## Statement of Changes in Equity for the Year Ended 31 March 2018

	Share capital £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 April 2017	100	62	244,553	86,264	330,979
Profit for the year	-	-	-	5,372	5,372
Other comprehensive income	-	-	(8,105)	-	(8,105)
Total comprehensive income	-	-	(8,105)	5,372	(2,733)
Dividends	-	-	-	(17,840)	(17,840)
At 31 March 2018	100	62	236,448	73,796	310,406

  

	Share capital £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 April 2016	100	62	244,553	55,179	299,894
Profit for the year	-	-	-	47,772	47,772
Total comprehensive income	-	-	-	47,772	47,772
Dividends	-	-	-	(16,687)	(16,687)
At 31 March 2017	100	62	244,553	86,264	330,979

The notes on pages 6 to 14 form an integral part of these financial statements.

# **A F Thomas & Sons Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2018**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit (H) 1C  
Mendalgief Retail Park  
Docks Way  
Newport  
NP20 2NY  
South Wales

These financial statements were authorised for issue by the director on 7 August 2018.

### **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.

#### **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.

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.



## **A F Thomas & Sons Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

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>
Freehold property	2% straight line
Plant and machinery	20% reducing balance
Fixtures and fittings	20% reducing balance
Motor vehicles	25% reducing balance

#### **Investment property**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### **Intangible assets**

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Jingle	25% straight line

## **A F Thomas & Sons Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **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.

#### **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.

## **A F Thomas & Sons Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **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.

### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 21 (2017 - 18).

# A F Thomas & Sons Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 4 Intangible assets

	Trademarks, patents and licenses £	Total £
<b>Cost or valuation</b>		
At 1 April 2017	4,600	4,600
At 31 March 2018	4,600	4,600
<b>Amortisation</b>		
At 1 April 2017	2,300	2,300
Amortisation charge	1,150	1,150
At 31 March 2018	3,450	3,450
<b>Carrying amount</b>		
At 31 March 2018	1,150	1,150
At 31 March 2017	2,300	2,300

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2017 - £Nil).

# A F Thomas & Sons Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2017	499,984	78,367	43,063	621,414
Additions	-	14,615	-	14,615
Transfers to/from investment property	(150,000)	-	-	(150,000)
At 31 March 2018	349,984	92,982	43,063	486,029
<b>Depreciation</b>				
At 1 April 2017	39,198	64,166	20,941	124,305
Charge for the year	18,400	5,754	5,531	29,685
Impairment	(1,800)	-	-	(1,800)
At 31 March 2018	55,798	69,920	26,472	152,190
<b>Carrying amount</b>				
At 31 March 2018	294,186	23,062	16,591	333,839
At 31 March 2017	460,786	14,201	22,122	497,109

Included within the net book value of land and buildings above is £168,200 (2017 - £316,800) in respect of freehold land and buildings and £125,986 (2017 - £143,986) in respect of short leasehold land and buildings.

### 6 Investment properties

	2018 £
Transfers to and from owner-occupied property	150,000

The fair value of the investment property is based on a market value valuation provided by an independent valuer in 2014, as noted below. The director does not believe that the market value of the property has changed significantly since then and considers the fair value at 31 March 2018 to be reasonably stated.

The investment property was valued at market value on 24 September 2014 by Linnells Property Consultants.

# A F Thomas & Sons Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 7 Other financial assets (current and non-current)

	Investments at fair value £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 April 2017	35,121	35,121
Additions	2,662	2,662
At 31 March 2018	37,783	37,783
<b>Impairment</b>		
<b>Carrying amount</b>		
At 31 March 2018	37,783	37,783

### 8 Stocks

	2018 £	2017 £
Other inventories	304,740	345,609

### 9 Debtors

	2018 £	2017 £
Prepayments	33,415	25,612
Other debtors	40,950	40,950
	74,365	66,562

# A F Thomas & Sons Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 10 Creditors

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

	Note	2018 £	2017 £
<b>Due within one year</b>			
Bank loans, overdrafts and other borrowings	<u>11</u>	239,133	211,636
Trade creditors		91,876	70,000
Amounts owed to director	<u>14</u>	32,042	32,042
Taxation and social security		14,945	33,152
Other creditors		<u>46,242</u>	<u>77,104</u>
		<u>424,238</u>	<u>423,934</u>
<b>Due after one year</b>			
Loans and borrowings	<u>11</u>	<u>126,589</u>	<u>156,226</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £199,132 (2017 - £157,510).

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

	Note	2018 £	2017 £
<b>Due after one year</b>			
Loans and borrowings	<u>11</u>	<u>126,589</u>	<u>156,226</u>

Creditors include bank loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £126,589 (2017 - £156,226).

### 11 Loans and borrowings

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Bank borrowings	26,856	26,856
Bank overdrafts	161,087	113,813
Finance lease liabilities	11,189	16,841
Other borrowings	<u>40,001</u>	<u>54,126</u>
	<u>239,133</u>	<u>211,636</u>

# A F Thomas & Sons Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

	2018 £	2017 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	115,888	142,126
Finance lease liabilities	10,701	14,100
	<u>126,589</u>	<u>156,226</u>

## 12 Share capital

### Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

## 13 Dividends

### Interim dividends paid

	2018 £	2017 £
Interim dividend of £178.40 (2017 - £166.87) per each Ordinary	17,840	16,687
	<u>17,840</u>	<u>16,687</u>

## 14 Related party transactions

### Directors' remuneration

The director's remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	17,162	20,250
	<u>17,162</u>	<u>20,250</u>

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.