

# Brown & Kirby Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 30 April 2018

Robert Whowell & Partners  
Chartered Accountants  
Westwood House  
78 Loughborough Road  
Quorn  
Loughborough  
Leicestershire  
LE12 8DX

# **Brown & Kirby Limited**

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# **Brown & Kirby Limited**

## **Company Information**

**Directors** P. G. Kirby  
M. P. Kirby

**Company secretary** B. A. Kirby

**Registered office** Westwood House  
78 Loughborough Road  
Quorn  
Loughborough  
Leicestershire  
LE12 8DX

**Accountants** Robert Whowell & Partners  
Chartered Accountants  
Westwood House  
78 Loughborough Road  
Quorn  
Loughborough  
Leicestershire  
LE12 8DX

**Brown & Kirby Limited**  
**(Registration number: 01006832)**  
**Balance Sheet as at 30 April 2018**

|  | Note     | 2018<br>£        | 2017<br>£        |
|--|----------|------------------|------------------|
| <b>Fixed assets</b>  |          |                  |                  |
| Tangible assets  | <u>4</u> | 146,759          | 162,992          |
| <b>Current assets</b>  |          |                  |                  |
| Stocks   | <u>5</u> | 180,119          | 241,750          |
| Debtors  | <u>6</u> | 111,499          | 100,572          |
| Cash at bank and in hand                                       |          | 306,226          | 146,327          |
|  |          | <u>597,844</u>   | <u>488,649</u>   |
| <b>Creditors: Amounts falling due within one year</b>          | <u>7</u> | <u>(282,031)</u> | <u>(354,883)</u> |
| <b>Net current assets</b>                                      |          | <u>315,813</u>   | <u>133,766</u>   |
| <b>Total assets less current liabilities</b>                   |          | 462,572          | 296,758          |
| <b>Creditors: Amounts falling due after more than one year</b> | <u>7</u> | (16,330)         | (24,706)         |
| <b>Provisions for liabilities</b>                              |          | <u>(6,611)</u>   | <u>(10,074)</u>  |
| <b>Net assets</b>  |          | <u>439,631</u>   | <u>261,978</u>   |
| <b>Capital and reserves</b>                                    |          |                  |                  |
| Called up share capital  | <u>8</u> | 500              | 500              |
| Share premium reserve  |          | 2,104            | 2,104            |
| Capital redemption reserve                                     |          | 1,000            | 1,000            |
| Revaluation reserve  |          | 72,177           | 72,177           |
| Profit and loss account  |          | <u>363,850</u>   | <u>186,197</u>   |
| <b>Total equity</b>  |          | <u>439,631</u>   | <u>261,978</u>   |

The notes on pages 4 to 11 form an integral part of these financial statements.

**Brown & Kirby Limited**  
**(Registration number: 01006832)**  
**Balance Sheet as at 30 April 2018**

For the financial year ending 30 April 2018 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.

Approved and authorised by the Board on 26 November 2018 and signed on its behalf by:

.....

P. G. Kirby  
Director

.....

M. P. Kirby  
Director

The notes on pages 4 to 11 form an integral part of these financial statements.

# **Brown & Kirby Limited**

## **Notes to the Financial Statements for the Year Ended 30 April 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:

Westwood House  
78 Loughborough Road  
Quorn  
Loughborough  
Leicestershire  
LE12 8DX

The principal place of business is:

4 Sidwell Street  
Leicester  
LE5 4GQ

These financial statements were authorised for issue by the Board on 26 November 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.

## **Brown & Kirby Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2018**

#### **Departure from requirements of FRS 102**

It is company policy to maintain the freehold property in a continual state of sound repair and, accordingly, the directors consider that the residual value and life of the freehold property is such that its depreciation would be immaterial. The directors perform annual impairment reviews in accordance with the requirements of FRS 102 to ensure that the recoverable amount is not lower than the carrying value. This treatment is contrary to FRS 102 but, in the opinion of the directors, is applicable to give a true and fair view. The effect of not departing from FRS 102 would be to reduce the reported profit for the year by depreciation. The amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amounts which might otherwise have been shown cannot be separately identified or quantified.

#### **Departures from Companies Act requirements**

It is company policy to maintain the freehold property in a continual state of sound repair and, accordingly, the directors consider that the residual value and life of the freehold property is such that its depreciation would be immaterial. The directors perform annual impairment reviews in accordance with the requirements of FRS 102 to ensure that the recoverable amount is not lower than the carrying value. This treatment is contrary to the Companies Act but, in the opinion of the directors, is applicable to give a true and fair view. The effect of not departing from the Companies Act 2006 would be to reduce the reported profit for the year by depreciation. The amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amounts which might otherwise have been shown cannot be separately identified or quantified.

#### **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 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.

## **Brown & Kirby Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 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 balance sheet 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 over their estimated useful lives, as follows:

| <b>Asset class</b>               | <b>Depreciation method and rate</b> |
|----------------------------------|-------------------------------------|
| Freehold property                | Not depreciated                     |
| Fixtures, fittings and equipment | 25% straight line                   |
| Motor vehicles                   | 20% straight line                   |
| Plant and machinery              | 15% reducing balance                |

#### **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 debtor.



## **Brown & Kirby Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2018**

#### **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 stocks 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.

#### **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 useful life of the asset. 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.

## **Brown & Kirby Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2018**

#### **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.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 12 (2017 - 13).

# Brown & Kirby Limited

## Notes to the Financial Statements for the Year Ended 30 April 2018

### 4 Tangible assets

|                          | Freehold<br>property<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Plant and<br>machinery<br>£ | Total<br>£ |
|--------------------------|---------------------------|---|------------------------|-----------------------------|------------|
| <b>Cost or valuation</b> |                           |   |                        |                             |            |
| At 1 May 2017            | 110,000                   | 8,771                                       | 118,005                | 37,677                      | 274,453    |
| Additions                | -                         | 1,153                                       | -                      | -                           | 1,153      |
| Disposals                | -                         | -   | (15,000)               | -                           | (15,000)   |
| At 30 April 2018         | 110,000                   | 9,924                                       | 103,005                | 37,677                      | 260,606    |
| <b>Depreciation</b>      |                           |   |                        |                             |            |
| At 1 May 2017            | -                         | 7,201                                       | 68,392                 | 35,868                      | 111,461    |
| Charge for the year      | -                         | 973   | 16,143                 | 270                         | 17,386     |
| Eliminated on disposal   | -                         | -   | (15,000)               | -                           | (15,000)   |
| At 30 April 2018         | -                         | 8,174                                       | 69,535                 | 36,138                      | 113,847    |
| <b>Carrying amount</b>   |                           |   |                        |                             |            |
| At 30 April 2018         | 110,000                   | 1,750                                       | 33,470                 | 1,539                       | 146,759    |
| At 30 April 2017         | 110,000                   | 1,570                                       | 49,613                 | 1,809                       | 162,992    |

### 5 Stocks

|                               | 2018<br>£ | 2017<br>£ |
|-------------------------------|-----------|-----------|
| Raw materials and consumables | 750       | 750       |
| Work in progress              | 179,369   | 241,000   |
|                               | 180,119   | 241,750   |

### 6 Debtors

|               | 2018<br>£ | 2017<br>£ |
|---------------|-----------|-----------|
| Trade debtors | 104,838   | 63,762    |
| Prepayments   | 6,661     | 4,753     |
| Other debtors | -         | 32,057    |
|               | 111,499   | 100,572   |

# Brown & Kirby Limited

## Notes to the Financial Statements for the Year Ended 30 April 2018

### 7 Creditors

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

|                              | Note | 2018<br>£      | 2017<br>£      |
|------------------------------|------|----------------|----------------|
| <b>Due within one year</b>   |      |                |                |
| Bank loans and overdrafts    | 9    | 8,376          | 11,726         |
| Trade creditors              |      | 62,415         | 170,300        |
| Taxation and social security |      | 19,332         | 3,580          |
| Accruals and deferred income |      | 61,739         | 65,819         |
| Other creditors              |      | 130,169        | 103,458        |
|                              |      | <u>282,031</u> | <u>354,883</u> |

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £8,376 (2017 - £11,726).

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

|                           | Note | 2018<br>£     | 2017<br>£     |
|---------------------------|------|---------------|---------------|
| <b>Due after one year</b> |      |               |               |
| Loans and borrowings      | 9    | <u>16,330</u> | <u>24,706</u> |

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £16,330 (2017 - £24,706).

### 8 Share capital

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

|                            | 2018 |     | 2017 |     |
|----------------------------|------|-----|------|-----|
|                            | No.  | £   | No.  | £   |
| Ordinary shares of £1 each | 500  | 500 | 500  | 500 |

## **Brown & Kirby Limited**

### **Notes to the Financial Statements for the Year Ended 30 April 2018**

#### **9 Loans and borrowings**

|   | <b>2018</b>   | <b>2017</b>   |
|---|---------------|---------------|
|   | <b>£</b>      | <b>£</b>      |
| <b>Non-current loans and borrowings</b> |               |               |
| Finance lease liabilities               | <u>16,330</u> | <u>24,706</u> |

|                                     | <b>2018</b>  | <b>2017</b>   |
|-------------------------------------|--------------|---------------|
|                                     | <b>£</b>     | <b>£</b>      |
| <b>Current loans and borrowings</b> |              |               |
| Finance lease liabilities           | <u>8,376</u> | <u>11,726</u> |

#### **10 Related party transactions**

##### **Summary of transactions with associates**

During the year the directors and the company secretary received dividends amounting to £70,000.

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.