

SHELDON CLAYTON ASSET MANAGEMENT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

PAGES FOR FILING WITH REGISTRAR



SHELDON CLAYTON ASSET MANAGEMENT LIMITED

COMPANY INFORMATION

DIRECTORS

Mr D D A Sheldon
Mr S B Campbell
Mr S Pollock
Mr D J Sheldon
Mrs P M Sheldon
Mrs K S Thomas

COMPANY NUMBER

01357668

REGISTERED OFFICE

Cygnus Point
Black Country New Road
West Bromwich
West Midlands
B70 0BD

AUDITOR

JW Hinks LLP
Chartered Accountants and Registered Auditor
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

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SHELDON CLAYTON ASSET MANAGEMENT LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
FIXED ASSETS					
Intangible fixed assets	3		-		7,847
Tangible fixed assets	4		9,525,757		9,948,231
Investments	5		7,051		7,124
			<u>9,532,808</u>		<u>9,963,202</u>
CURRENT ASSETS					
Debtors	6	1,296,438		1,477,443	
Cash at bank and in hand		1,921,327		930,345	
		<u>3,217,765</u>		<u>2,407,788</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	7	<u>(3,180,339)</u>		<u>(3,748,865)</u>	
Net current assets/(liabilities)			37,426		(1,341,077)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,570,234</u>		<u>8,622,125</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	8		(5,527,014)		(4,592,379)
PROVISIONS FOR LIABILITIES			<u>(107,000)</u>		<u>(225,000)</u>
NET ASSETS			<u><u>3,936,220</u></u>		<u><u>3,804,746</u></u>
CAPITAL AND RESERVES					
Called up share capital	11		10,709		10,709
Share premium account			111,791		111,791
Revaluation reserve	12		2,266,104		2,266,104
Profit and loss reserves			1,547,616		1,416,142
TOTAL EQUITY			<u><u>3,936,220</u></u>		<u><u>3,804,746</u></u>

SHELDON CLAYTON ASSET MANAGEMENT LIMITED

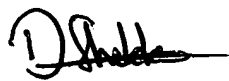
BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2017

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

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 3 October 2017 and are signed on its behalf by:



Mr D D A Sheldon
DIRECTOR

COMPANY REGISTRATION NO. 01357668

1 ACCOUNTING POLICIES

COMPANY INFORMATION

Sheldon Clayton Asset Management Limited is a private company limited by shares incorporated in England and Wales. The registered office is Cygnus Point, Black Country New Road, West Bromwich, West Midlands, B70 0BD.

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.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Sheldon Clayton Asset Management Limited is a 93% owned subsidiary of Sheldon Clayton Holdings Limited and the results of Sheldon Clayton Asset Management Limited are included in the consolidated financial statements of Sheldon Clayton Holdings Limited.

1.2 TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1 ACCOUNTING POLICIES

(Continued)

1.3 INTANGIBLE FIXED ASSETS – GOODWILL

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is five years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

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:

Buildings	not provided
Rolling Stock	20% on cost and 10% on cost
Fixtures and fittings	at varying rates
Computer equipment	33% on cost
Motor vehicles	20% on cost
Trucks	20% on cost

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.

1.5 FIXED ASSET INVESTMENTS

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1 ACCOUNTING POLICIES

(Continued)

1.6 IMPAIRMENT OF FIXED ASSETS

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

1.7 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.

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 DERIVATIVES

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

1 ACCOUNTING POLICIES

(Continued)

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 tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.12 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 RETIREMENT BENEFITS

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

1.14 LEASES

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 EMPLOYEES

The average monthly number of persons (including directors) employed by the company during the year was 10 (2016 - 12).

SHELDON CLAYTON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

3 INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 April 2016 and 31 March 2017	337,625
	<hr/>
AMORTISATION AND IMPAIRMENT	
At 1 April 2016	329,778
Amortisation charged for the year	7,847
	<hr/>
At 31 March 2017	337,625
	<hr/>
CARRYING AMOUNT	
At 31 March 2017	-
	<hr/>
At 31 March 2016	7,847
	<hr/>

SHELDON CLAYTON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 TANGIBLE FIXED ASSETS

	Buildings	Rolling Stock	Trucks	Fixtures and fittings	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£	£
COST OR VALUATION							
At 1 April 2016	6,500,000	1,239,823	3,258,957	606,807	294,552	67,000	11,967,139
Additions	-	242,610	372,193	27,105	101,817	-	743,725
Disposals	-	-	(293,360)	-	(2,545)	(67,000)	(362,905)
At 31 March 2017	6,500,000	1,482,433	3,337,790	633,912	393,824	-	12,347,959
DEPRECIATION AND IMPAIRMENT							
At 1 April 2016	-	619,018	989,527	141,938	235,665	32,760	2,018,908
Depreciation charged in the year	-	221,083	653,623	68,375	48,071	6,720	997,872
Eliminated in respect of disposals	-	-	(154,320)	-	(778)	(39,480)	(194,578)
At 31 March 2017	-	840,101	1,488,830	210,313	282,958	-	2,822,202
CARRYING AMOUNT							
At 31 March 2017	6,500,000	642,332	1,848,960	423,599	110,866	-	9,525,757
At 31 March 2016	6,500,000	620,805	2,269,430	464,869	58,887	34,240	9,948,231

SHELDON CLAYTON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 TANGIBLE FIXED ASSETS

(Continued)

Buildings with a carrying amount of £6,500,000 were revalued on 14 April 2015 by Wiggins Lockett Thompson Surveyors, independent valuers not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2017	2016
	£	£
Cost	4,748,720	4,748,720
Accumulated depreciation	-	-
	<u>4,748,720</u>	<u>4,748,720</u>
Carrying value	<u>4,748,720</u>	<u>4,748,720</u>

The revaluation surplus is disclosed in note 12.

5 FIXED ASSET INVESTMENTS

	2017	2016
	£	£
Investments	7,051	7,124
	<u>7,051</u>	<u>7,124</u>

MOVEMENTS IN FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST OR VALUATION	
At 1 April 2016	7,124
Disposals	(73)
	<u>7,051</u>
At 31 March 2017	<u>7,051</u>
CARRYING AMOUNT	
At 31 March 2017	<u>7,051</u>
	<u>7,124</u>
At 31 March 2016	<u>7,124</u>

SHELDON CLAYTON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 DEBTORS

	2017	2016
AMOUNTS FALLING DUE WITHIN ONE YEAR:	£	£
Trade debtors	-	247,483
Amount due from group undertakings	527,607	582,252
Other debtors	333,405	270,934
Prepayments and accrued income	435,426	376,774
	<u>1,296,438</u>	<u>1,477,443</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Notes	2017	2016
		£	£
Loans and overdrafts	9	-	448,558
Obligations under finance leases		903,837	543,374
Trade creditors		176,094	419,107
Amount due to group undertakings		1,718,950	2,014,990
Corporation tax		124,787	15,775
Other taxation and social security		5,997	5,131
Other creditors		135,149	173,667
Accruals and deferred income		115,525	128,263
		<u>3,180,339</u>	<u>3,748,865</u>

8 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Notes	2017	2016
		£	£
Loans and overdrafts	9	4,000,000	2,287,017
Obligations under finance leases		1,527,014	2,305,362
		<u>5,527,014</u>	<u>4,592,379</u>

SHELDON CLAYTON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9 LOANS AND OVERDRAFTS

	2017	2016
	£	£
Bank loans	4,000,000	2,513,672
Other loans	-	221,903
	<u>4,000,000</u>	<u>2,735,575</u>
Payable within one year	-	448,558
Payable after one year	<u>4,000,000</u>	<u>2,287,017</u>

Certain bank loans are secured against group assets and through a charge over the company's property dated 31 March 2009.

Other bank loans are secured through a charge over the company's fleet of commercial vehicles dated 1 February 2016.

Hire purchase balances are secured against the assets to which they relate.

10 DEFERRED TAXATION

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2017	Liabilities 2016
	£	£
BALANCES:		
Accelerated Capital Allowances	<u>107,000</u>	<u>225,000</u>
MOVEMENTS IN THE YEAR:		2017
		£
Liability at 1 April 2016		225,000
Credit to profit or loss		(118,000)
Liability at 31 March 2017		<u>107,000</u>

SHELDON CLAYTON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

11 CALLED UP SHARE CAPITAL

	2017	2016
	£	£
ORDINARY SHARE CAPITAL		
ISSUED AND FULLY PAID		
10,000 Ordinary of £1 each	10,000	10,000
709 Redeemable Ordinary of £1 each	709	709
	<u>10,709</u>	<u>10,709</u>

The Redeemable Ordinary £1 shares rank pari passu with and have the same voting rights as the Ordinary £1 shares in the Company.

The Redeemable Ordinary £1 shares may be redeemed by the Company on not less than 28 days notice.

12 REVALUATION RESERVE

	2017	2016
	£	£
At beginning and end of year	<u>2,266,104</u>	<u>2,266,104</u>

13 AUDIT REPORT INFORMATION

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Neal Aston ACA ACCA.

The auditor was JW Hinks LLP.

14 CAPITAL COMMITMENTS

Amounts contracted for but not provided in the financial statements:

	2017	2016
	£	£
Acquisition of tangible fixed assets	<u>22,000</u>	<u>79,659</u>

15 RELATED PARTY TRANSACTIONS

15 RELATED PARTY TRANSACTIONS

(Continued)

TRANSACTIONS WITH RELATED PARTIES

During the year the company entered into the following transactions with related parties:

	Administration Charges		Recharges	
	2017	2016	2017	2016
	£	£	£	£
Entities over which the entity has control, joint control or significant influence	216,000	216,000	1,200	6,549
Entities under common control	288,000	288,000	2,016,310	1,968,725
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2017	2016
	£	£
AMOUNTS OWED TO RELATED PARTIES		
Entities under common control	1,718,950	2,014,990
Key management personnel	-	221,903
Other related parties	135,334	143,667
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2017	2016
	£	£
AMOUNTS OWED BY RELATED PARTIES		
Entities with control, joint control or significant influence over the company	163,392	12,904
Entities over which the entity has control, joint control or significant influence	364,215	569,348
Other related parties	176,601	187,390
Key management personnel	98,836	15,471
	<u> </u>	<u> </u>

Amounts due to directors in respect of current accounts amounted to £Nil (2016: £206,432).

All transactions with related parties have been undertaken at arms length.

During the year the company paid dividends of £120,000 (2016: £450,000) to the parent company, Sheldon Clayton Holdings Limited. Also during the year, the company received dividends of £76,250 (2016: £296,631) from it's subsidiary company, Sheldon Clayton Global Shipping Limited.

SHELDON CLAYTON ASSET MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

16 DIRECTORS' TRANSACTIONS

The following advances and credits from directors to the company subsisted during the year:

DESCRIPTION	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Mr S Pollock – Loan advance	-	15,471	120,851	(124,400)	11,922
Mrs K S Thomas – Loan advance	-	(17,183)	17,183	-	-
Mr D D A Sheldon – Loan advance	-	(18,183)	18,183	-	-
Mr D J Sheldon – Loan advance	-	(64,195)	155,280	(4,175)	86,910
Mrs P M Sheldon – Loan advance	-	(122,342)	122,342	-	-
		<u>(206,432)</u>	<u>433,839</u>	<u>(128,575)</u>	<u>98,832</u>

The loans were fully repaid after date.

17 PARENT COMPANY

The ultimate parent company and ultimate controlling party is Sheldon Clayton Holdings Limited, a company registered in England.

The financial statements contain information about Sheldon Clayton Asset Management Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Sheldon Clayton Holdings Limited, a company registered in England.