

OLIVER DOUGLAS LIMITED

FINANCIAL STATEMENTS

30 JUNE 2017



**ArmstrongWatson®**

Accountants, Business & Financial Advisers

**OLIVER DOUGLAS LIMITED**  
**REGISTERED NUMBER: 02136843**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**


	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	4	1,834	31,836
		<u>1,834</u>	<u>31,836</u>
<b>Current assets</b>			
Stocks	5	108,987	156,512
Debtors: amounts falling due within one year	6	79,728	236,789
Cash at bank and in hand	7	751,961	558,310
		<u>940,676</u>	<u>951,611</u>
Creditors: amounts falling due within one year	8	(178,221)	(331,942)
<b>Net current assets</b>		<u>762,455</u>	<u>619,669</u>
<b>Total assets less current liabilities</b>		<u>764,289</u>	<u>651,505</u>
<b>Provisions for liabilities</b>			
Deferred tax	9	(348)	(3,077)
		<u>(348)</u>	<u>(3,077)</u>
<b>Net assets</b>		<u>763,941</u>	<u>648,428</u>
<b>Capital and reserves</b>			
Called up share capital		30,000	30,000
Profit and loss account		733,941	618,428
		<u>763,941</u>	<u>648,428</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
 .....  
**R J Newton**  
 Director  
 Date: 4/2/17

The notes on pages 2 to 8 form part of these financial statements.

# OLIVER DOUGLAS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### 1. General information

Oliver Douglas Limited is a private company limited by shares incorporated in England with a registered number 02136843. Its registered office is Amberley Works, Chelsea Close, Leeds, LS12 4HP. The principal activity of the company is the manufacture of industrial washing machines.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

#### 2.2 Going concern

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

#### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

## OLIVER DOUGLAS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### 2. Accounting policies (continued)

##### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 20% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

##### 2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is 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.

##### 2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## **OLIVER DOUGLAS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

#### **2. Accounting policies (continued)**

##### **2.8 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.9 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **2.10 Pensions**

###### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.11 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

## OLIVER DOUGLAS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### 2. Accounting policies (continued)

##### 2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### 3. Employees

Staff costs were as follows:

The average monthly number of employees during the year was as follows:

	2017 No.	2016 No.
Operational Staff	3	4
Administration Staff	1	1
Directors	2	1
	<u>6</u>	<u>6</u>

OLIVER DOUGLAS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 July 2016	33,876	47,001	31,616	112,493
Disposals	(4,480)	(47,001)	-	(51,481)
At 30 June 2017	29,396	-	31,616	61,012
<b>Depreciation</b>				
At 1 July 2016	33,310	17,940	29,407	80,657
Charge for the year on owned assets	17	-	442	459
Disposals	(3,998)	(17,940)	-	(21,938)
At 30 June 2017	29,329	-	29,849	59,178
<b>Net book value</b>				
At 30 June 2017	67	-	1,767	1,834
At 30 June 2016	566	29,061	2,209	31,836

5. Stocks

	2017 £	2016 £
Raw materials and consumables	62,598	79,700
Work in progress (goods to be sold)	46,389	76,812
	108,987	156,512

6. Debtors

	2017 £	2016 £
Trade debtors	69,491	177,255
Amounts owed by group undertakings	-	27,252
Prepayments and accrued income	10,237	32,282
	79,728	236,789

**OLIVER DOUGLAS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	751,961	558,310
	<u>751,961</u>	<u>558,310</u>

**8. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Other creditors	39,600	178,745
Trade creditors	38,877	101,464
Amounts owed to group undertakings	27,577	-
Corporation tax	31,094	12,156
Taxation and social security	16,896	21,689
Accruals and deferred income	24,177	17,888
	<u>178,221</u>	<u>331,942</u>

**9. Deferred taxation**

	2017 £
At beginning of year	(3,077)
Charged to profit or loss	2,729
<b>At end of year</b>	<u><b>(348)</b></u>

The provision for deferred taxation is made up as follows:

	2017 £
Accelerated capital allowances	(348)
	<u>348</u>

**10. Other financial commitments**

A deed of set off and an unlimited inter-company guarantee exists between Newsmith Stainless Limited, Oliver Douglas Limited, Willow Valley Farms Limited, Willow Valley Golf & Country Club Limited and Hiley Engineering Limited.

**OLIVER DOUGLAS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**11. Related party transactions**

The company has taken advantage of the exemption contained in Section 33 of the FRS102 'Related Party Disclosures' from disclosing transactions with entities which are part of the group, since 100% of the voting rights in the company are controlled within the group and the company is included within the group accounts which are publicly available.

During the year, the company paid storage fees of £12,000 (2016: £12,000) to the John Newton 2002 Discretionary Settlement, a trust in which R Newton is a trustee.

The company also paid rent of £34,125 (2016: £32,500) to the Newsmith Stainless Ltd 1992 Self-Administered Pension Scheme, a pension scheme in which R Newton is a trustee.

**12. Controlling party**

The ultimate parent company is Newsmith Stainless Holdings Limited, a company incorporated in England and Wales. Its registered office is Fountain Works, Child Lane, Roberttown, Liversedge, West Yorkshire, WF15 7PH. The ultimate controlling party is Mr J Newton.

**13. Auditors' information**

The audit report on the full accounts for the year ended 30 June 2017 was unqualified and there were no matters to which the auditor drew attention.

The audit report was signed by William Booth, Senior Statutory Auditor, on behalf of Armstrong Watson Audit Limited.