

Company registration number 06077804 (England and Wales)

B.M. STAFFORD & SONS LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022
PAGES FOR FILING WITH REGISTRAR

B.M. STAFFORD & SONS LTD

COMPANY INFORMATION

Directors	Mrs N Stafford Mr M M Stafford
Secretary	Mr M M Stafford
Company number	06077804
Registered office	Milburn House Hetton Lyons Industrial Estate Hetton-le-Hole Houghton Le Spring Tyne & Wear DH5 0RH
Accountants	Malcolm Piper & Company Limited Kingsnorth House Blenheim Way Birmingham West Midlands B44 8LS

B.M. STAFFORD & SONS LTD

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B.M. STAFFORD & SONS LTD

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF B.M. STAFFORD & SONS LTD FOR THE YEAR ENDED 30 JUNE 2022

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of B.M. Stafford & Sons Ltd for the year ended 30 June 2022 which comprise, the balance sheet and the related notes 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 <https://www.icaew.com/regulation>

This report is made solely to the Board of Directors of B.M. Stafford & Sons Ltd, as a body, in accordance with the terms of our engagement letter dated 22 June 2021. Our work has been undertaken solely to prepare for your approval the financial statements of B.M. Stafford & Sons Ltd and state those matters that we have agreed to state to the Board of Directors of B.M. Stafford & Sons Ltd, 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 B.M. Stafford & Sons Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that B.M. Stafford & Sons Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of B.M. Stafford & Sons Ltd. You consider that B.M. Stafford & Sons Ltd 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 financial statements of B.M. Stafford & Sons Ltd. 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 financial statements.

Malcolm Piper & Company Limited

Chartered Accountants

21 September 2022

Kingsnorth House
Blenheim Way
Birmingham
West Midlands
B44 8LS

B.M. STAFFORD & SONS LTD

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	4		1,278,083		3,163,494
Current assets					
Stocks		50,444		17,569	
Debtors	5	1,638,681		1,500,633	
Cash at bank and in hand		129,880		104,076	
		<u>1,819,005</u>		<u>1,622,278</u>	
Creditors: amounts falling due within one year	6	<u>(1,745,108)</u>		<u>(1,699,271)</u>	
Net current assets/(liabilities)			73,897		(76,993)
Total assets less current liabilities			<u>1,351,980</u>		<u>3,086,501</u>
Creditors: amounts falling due after more than one year	7		(339,025)		(1,322,062)
Provisions for liabilities			<u>(309,000)</u>		<u>(258,000)</u>
Net assets			<u>703,955</u>		<u>1,506,439</u>
Capital and reserves					
Called up share capital	8		5		5
Capital redemption reserve			5		5
Profit and loss reserves			<u>703,945</u>		<u>1,506,429</u>
Total equity			<u>703,955</u>		<u>1,506,439</u>

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

For the financial year ended 30 June 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

B.M. STAFFORD & SONS LTD

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2022

The financial statements were approved by the board of directors and authorised for issue on 21 September 2022 and are signed on its behalf by:

Mr M M Stafford
Director

Company Registration No. 06077804

B.M. STAFFORD & SONS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Company information

B.M. Stafford & Sons Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Milburn House, Hetton Lyons Industrial Estate, Hetton-le-Hole, Houghton Le Spring, Tyne & Wear, DH5 0RH.

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.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and 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.

1.3 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:

Freehold land and buildings	10% on cost and 2% on cost
Leasehold improvements	10% on cost
Plant and equipment	25% reducing balance
Fixtures and fittings	20% reducing balance
Computers	33% on cost
Motor vehicles	25% reducing balance

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.

1.4 Impairment of fixed assets

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

B.M. STAFFORD & SONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

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.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

1.6 Cash and cash equivalents

Cash and cash equivalents 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.

1.7 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.

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.

B.M. STAFFORD & SONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

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.

1.8 Taxation

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

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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 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.

1.10 Retirement benefits

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

B.M. STAFFORD & SONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.11 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 profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Total	64	62

B.M. STAFFORD & SONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2021	2,209,135	2,652,644	4,861,779
Additions	-	412,574	412,574
Disposals	-	(359,551)	(359,551)
Transfers	(2,167,210)	(93,582)	(2,260,792)
At 30 June 2022	41,925	2,612,085	2,654,010
Depreciation and impairment			
At 1 July 2021	452,157	1,246,128	1,698,285
Depreciation charged in the year	84,745	369,610	454,355
Eliminated in respect of disposals	-	(214,886)	(214,886)
Transfers	(529,974)	(31,853)	(561,827)
At 30 June 2022	6,928	1,368,999	1,375,927
Carrying amount			
At 30 June 2022	34,997	1,243,086	1,278,083
At 30 June 2021	1,756,978	1,406,516	3,163,494

Transfers represent assets transferred to the parent undertaking at book value.

Included within plant and machinery, etc. are assets with a net book value of £741,468 (2021 - £948,349) which are held as security against the finance lease agreements to which they relate.

5 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	1,371,160	1,256,383
Other debtors	267,521	244,250
	1,638,681	1,500,633

Included in 'trade debtors' above are debts totalling £826,712 that are subject to an invoice discounting arrangement.

B.M. STAFFORD & SONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

6 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans	-	119,557
Trade creditors	608,019	655,962
Amounts owed to group undertakings	10,000	-
Taxation and social security	352,733	221,740
Other creditors	774,356	702,012
	<u>1,745,108</u>	<u>1,699,271</u>

Included in 'other creditors' above are hire purchase balances totalling £287,616 (2021: £300,693) which are secured against the assets to which they relate.

7 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	-	709,691
Other creditors	339,025	612,371
	<u>339,025</u>	<u>1,322,062</u>

Included in 'other creditors' above are hire purchase balances totalling £339,025 (2021: £612,371) which are secured against the assets to which they relate.

8 Called up share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
	<u>1,995,990</u>	<u>442,476</u>

10 Related party transactions

B.M. STAFFORD & SONS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

10 Related party transactions

(Continued)

BMS Property Holdings Limited

During the year B.M. Stafford incurred rental fees from BMS Property Holdings of £30,000. At the 30 June 2022 the amount due to BMS Property Holdings Limited amounted to £10,000, is unsecured and has no specific terms regarding payment of interest. The amount due is repayable on demand.

Dividends of £1,148,486 (2021: £nil) were paid to the company's parent undertaking BMS Property Holdings Limited during the year.

11 Directors' transactions

Dividends totalling £Nil (2021 - £125,000) were paid in the year in respect of shares held by the company's directors.

12 Parent company

With effect from 1 July 2021, the company's parent undertaking is BMS Property Holdings Limited, a company registered in England and Wales. The registered office address of BMS Property Holdings Limited is Milburn House, Hetton Lyons Industrial Estate, Hetton-le-Hole, Houghton Le Spring, Tyne & Wear, DH5 0RH.

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.