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J&G SPARES & SERVICES LIMITED

Unaudited financial statements

30 June 2017

Company registration number: 7656397

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J&G SPARES & SERVICES LIMITED

Statement of financial position

30 June 2017

	Note	<u>2017</u> £	£	<u>2016</u> £	£
Fixed assets					
Intangible assets	6	15,200		19,000	
Tangible assets	7	21,805		8,069	
			37,005		27,069
Current assets					
Stocks		945		920	
Debtors	8	133,181		31,246	
Cash at bank and in hand		72,011		225,290	
		206,137		257,456	
Creditors: amounts falling due within one year	9	(35,676)		(46,917)	
Net current assets			170,461		210,539
Total assets less current liabilities			207,466		237,608
Provisions for liabilities			(4,143)		(1,613)
Net assets			203,323		235,995
Capital and reserves					
Called up share capital			100		100
Profit and loss account			203,223		235,895
Shareholders funds			203,323		235,995

For the year ending 30 June 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The notes on pages 6 to 12 form part of these financial statements.

J&G SPARES & SERVICES LIMITED

Statement of financial position (continued)

30 June 2017

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 23.9.2017, and are signed on behalf of the board by;

A. Perry
Director



Company registration number: 7656397

The notes on pages 6 to 12 form part of these financial statements.

J&G SPARES & SERVICES LIMITED

Statement of changes in equity
Year ended 30 June 2017

	<u>Called up share capital</u> <u>£</u>	<u>Profit and loss account</u> <u>£</u>	<u>Total</u> <u>£</u>
At 1 July 2015	100	199,267	199,367
Profit for the year		106,628	106,628
Total comprehensive income for the year	-	106,628	106,628
Dividends paid and payable		(70,000)	(70,000)
Total investments by and distributions to owners	-	(70,000)	(70,000)
At 30 June 2016 and 1 July 2016	100	235,895	235,995
Profit for the year		83,328	83,328
Total comprehensive income for the year	-	83,328	83,328
Dividends paid and payable		(116,000)	(116,000)
Total investments by and distributions to owners	-	(116,000)	(116,000)
At 30 June 2017	100	203,223	203,323

J&G SPARES & SERVICES LIMITED

Notes to the financial statements **Year ended 30 June 2017**

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 4 Bloors Lane, Rainham, Kent, ME8 7EG.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

J&G SPARES & SERVICES LIMITED

Notes to the financial statements (continued)

Year ended 30 June 2017

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 10%	straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 20%	reducing balance
Fittings fixtures and equipment	- 25%	reducing balance/straight line
Motor vehicles	- 25%	reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

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Notes to the financial statements (continued)

Year ended 30 June 2017

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

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Notes to the financial statements (continued)

Year ended 30 June 2017

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

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Notes to the financial statements (continued)

Year ended 30 June 2017

4. Profit before taxation

Profit before taxation is stated after charging/(crediting):

	<u>2017</u>	<u>2016</u>
	£	£
Amortisation of intangible assets	3,800	3,800
Depreciation of tangible assets	1,714	2,688
	<u> </u>	<u> </u>

5. Tax on profit

Major components of tax expense

	<u>2017</u>	<u>2016</u>
	£	£
Current tax:		
UK current tax expense	18,686	28,171
	<u> </u>	<u> </u>
Deferred tax:		
Origination and reversal of timing differences	2,529	(503)
	<u> </u>	<u> </u>
Tax on profit	<u>21,215</u>	<u>27,668</u>

Reconciliation of tax expense

The tax assessed on the profit for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 19.75% (2016: 20.00%).

	<u>2017</u>	<u>2016</u>
	£	£
Profit before taxation	104,543	134,296
	<u> </u>	<u> </u>
Profit multiplied by rate of tax	20,647	26,859
Effect of expenses not deductible for tax purposes	751	809
Effect of capital allowances and depreciation	(2,712)	503
	<u> </u>	<u> </u>
Tax on profit	<u>18,686</u>	<u>28,171</u>

J&G SPARES & SERVICES LIMITED

Notes to the financial statements (continued)
Year ended 30 June 2017

6. Intangible assets

	<u>Goodwill</u>	<u>Total</u>
	<u>£</u>	<u>£</u>
Cost		
At 1 July 2016 and 30 June 2017	38,000	38,000
Amortisation		
At 1 July 2016	19,000	19,000
Charge for the year	3,800	3,800
At 30 June 2017	22,800	22,800
Carrying amount		
At 30 June 2017	15,200	15,200
At 30 June 2016	19,000	19,000

7. Tangible assets

	<u>Plant and machinery</u>	<u>Fixtures, fittings and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost				
At 1 July 2016	175	2,474	16,995	19,644
Additions	-	-	22,300	22,300
Disposals	-	-	(16,995)	(16,995)
At 30 June 2017	175	2,474	22,300	24,949
Depreciation				
At 1 July 2016	35	1,395	10,145	11,575
Charge for the year	28	292	1,394	1,714
Disposals	-	-	(10,145)	(10,145)
At 30 June 2017	63	1,687	1,394	3,144
Carrying amount				
At 30 June 2017	112	787	20,906	21,805
At 30 June 2016	140	1,079	6,850	8,069

J&G SPARES & SERVICES LIMITED

Notes to the financial statements (continued)

Year ended 30 June 2017

8. Debtors

	<u>2017</u>	<u>2016</u>
	<u>£</u>	<u>£</u>
Trade debtors	32,134	29,862
Other debtors	101,047	1,384
	<u>133,181</u>	<u>31,246</u>

9. Creditors: amounts falling due within one year

	<u>2017</u>	<u>2016</u>
	<u>£</u>	<u>£</u>
Corporation tax	18,686	28,171
Social security and other taxes	15,616	12,543
Other creditors	1,374	6,203
	<u>35,676</u>	<u>46,917</u>

10. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2017			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
A. Perry	<u>(5,044)</u>	<u>220,150</u>	<u>(116,000)</u>	<u>99,106</u>

	2016			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
A. Perry	<u>(7,896)</u>	<u>72,852</u>	<u>(70,000)</u>	<u>(5,044)</u>

11. Controlling party

The company is controlled by Mr A & Mrs S Perry, directors and holders of 100% of the share capital in equal proportion.