

# Butler Construction Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2016

Atkinson Saul Fairholm Limited  
Chartered Accountants  
21A Newland  
Lincoln  
LN1 1XP

# Butler Construction Limited

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# **Butler Construction Limited**

## **Company Information**

<b>Directors</b>	V A Butler P D F Butler
<b>Company secretary</b>	V A Butler
<b>Registered office</b>	The Barn Woodbank Lane Skellingthorpe Lincoln LN6 5UD
<b>Bankers</b>	Barclays Bank Plc Business Centre Tritton Road Lincoln LN6 7AR
<b>Accountants</b>	Atkinson Saul Fairholm Limited Chartered Accountants 21A Newland Lincoln LN1 1XP

**Butler Construction Limited**  
**(Registration number: 02047137)**  
**Balance Sheet as at 31 December 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	<a href="#">4</a>	15,423	20,123
<b>Current assets</b>			
Stocks	<a href="#">5</a>	86,430	43,493
Debtors	<a href="#">6</a>	122,720	4,524
Cash at bank and in hand		109,936	289,188
		319,086	337,205
<b>Creditors:</b> Amounts falling due within one year	<a href="#">7</a>	(156,997)	(187,404)
<b>Net current assets</b>		162,089	149,801
<b>Total assets less current liabilities</b>		177,512	169,924
<b>Provisions for liabilities</b>		(2,696)	(3,550)
<b>Net assets</b>		174,816	166,374
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		174,716	166,274
Total equity		174,816	166,374

For the financial year ending 31 December 2016 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 Directors' Report and Profit and Loss Account has been taken.

The notes on pages [4](#) to [9](#) form an integral part of these financial statements.

**Butler Construction Limited**  
**(Registration number: 02047137)**  
**Balance Sheet as at 31 December 2016**

Approved and authorised by the Board on 4 May 2017 and signed on its behalf by:

.....  
P D F Butler

Director

The notes on pages [4](#) to [9](#) form an integral part of these financial statements.  
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# **Butler Construction Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2016**

### **1 General information**

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:

The Barn  
Woodbank Lane  
Skellingthorpe  
Lincoln  
LN6 5UD

These financial statements were authorised for issue by the Board on 4 May 2017.

### **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.

These financial statements for the year ended 31 December 2016 are the first financial statements that comply with FRS 102. The date of transition is 1 January 2015. The transition to FRS 102 has resulted in a small number of changes in accounting policies to those used previously.

The nature of these changes and their impact on opening equity and profit for the comparative period are explained in the notes disclosed below.

#### **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.

#### **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 sales/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.

# Butler Construction Limited

## Notes to the Financial Statements for the Year Ended 31 December 2016

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

### **Tangible assets**

Tangible assets are stated in the statement of financial position 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, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	15% reducing balance
Motor vehicles	25% 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 receivables.

### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average 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 inventories 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.

# **Butler Construction Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2016**

### **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.

### **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.

### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability are charged as interest expense in the profit and loss account.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 4 (2015 - 6).



**Butler Construction Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2016**

**4 Tangible assets**

	<b>Motor vehicles £</b>	<b>Other property, plant and equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 January 2016	40,732	8,357	49,089
Additions	-	355	355
At 31 December 2016	<u>40,732</u>	<u>8,712</u>	<u>49,444</u>
<b>Depreciation</b>			
At 1 January 2016	20,932	8,034	28,966
Charge for the year	4,950	105	5,055
At 31 December 2016	<u>25,882</u>	<u>8,139</u>	<u>34,021</u>
<b>Carrying amount</b>			
At 31 December 2016	<u>14,850</u>	<u>573</u>	<u>15,423</u>
At 31 December 2015	<u>19,800</u>	<u>323</u>	<u>20,123</u>

**5 Stocks**

	<b>2016 £</b>	<b>2015 £</b>
Work in progress	<u>86,430</u>	<u>43,493</u>

**6 Debtors**

	<b>2016 £</b>	<b>2015 £</b>
Trade debtors	122,423	4,228
Other debtors	297	296
Total current trade and other debtors	<u>122,720</u>	<u>4,524</u>

**7 Creditors**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Due within one year</b>			
Trade creditors		29,817	6,295
Taxation and social security		21,421	30,987
Other creditors		105,759	150,122
		<u>156,997</u>	<u>187,404</u>



**Butler Construction Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2016**

**8 Transition to FRS 102**

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The financial statements for the year ended 31 December 2015 were prepared under previous UK GAAP. The transition date to FRS 102 is 1 January 2015.

**Balance Sheet at 1 January 2015**

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>					
Tangible assets		2,248	-	-	2,248
<b>Current assets</b>					
Stocks		29,251	-	-	29,251
Debtors		22,081	-	-	22,081
Cash at bank and in hand		330,195	-	-	330,195
		381,527	-	-	381,527
Creditors: Amounts falling due within one year		(204,581)	-	-	(204,581)
Net current assets		176,946	-	-	176,946
Net assets		179,194	-	-	179,194
<b>Capital and reserves</b>					
Called up share capital		100	-	-	100
Profit and loss account		179,094	-	-	179,094
Total equity		179,194	-	-	179,194

**Butler Construction Limited**  
**Notes to the Financial Statements for the Year Ended 31 December 2016**

**Balance Sheet at 31 December 2015**

	Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
<b>Fixed assets</b>					
Tangible assets		20,123	-	-	20,123
<b>Current assets</b>					
Stocks		43,493	-	-	43,493
Debtors		4,524	-	-	4,524
Cash at bank and in hand		289,188	-	-	289,188
		337,205	-	-	337,205
Creditors: Amounts falling due within one year		(187,404)	-	-	(187,404)
Net current assets		149,801	-	-	149,801
Total assets less current liabilities		169,924	-	-	169,924
Provisions for liabilities		(3,550)	-	-	(3,550)
Net assets		166,374	-	-	166,374
<b>Capital and reserves</b>					
Called up share capital		100	-	-	100
Profit and loss account		166,274	-	-	166,274
Total equity		166,374	-	-	166,374