

REGISTERED NUMBER: 00580727 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

FOR

JAMES HART (CHORLEY) LTD

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

	Page
Company Information	1
Chartered Accountants' Report	2
Statement of Financial Position	3
Notes to the Financial Statements	5

JAMES HART (CHORLEY) LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2018

DIRECTORS:	Mr J C Hart Mr P Hart
REGISTERED OFFICE:	Clover Road Chorley Lancashire PR7 2NL
REGISTERED NUMBER:	00580727 (England and Wales)
ACCOUNTANTS:	Bishops Chartered Accountants Phoenix Park Blakewater Road Blackburn Lancashire BB1 5BG
BANKERS:	Handelsbanken 30 Winkley Square Court Chambers Preston Lancashire PR1 3JJ

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
JAMES HART (CHORLEY) LTD**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Statement of Financial Position. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of James Hart (Chorley) Ltd for the year ended 31 March 2018 which comprise the Income Statement, Statement of Financial Position 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 within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of James Hart (Chorley) Ltd, as a body, in accordance with the terms of our engagement letter dated 12 July 2017. Our work has been undertaken solely to prepare for your approval the financial statements of James Hart (Chorley) Ltd and state those matters that we have agreed to state to the Board of Directors of James Hart (Chorley) Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than James Hart (Chorley) Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that James Hart (Chorley) 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 James Hart (Chorley) Ltd. You consider that James Hart (Chorley) 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 James Hart (Chorley) 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.

Bishops
Chartered Accountants
Phoenix Park
Blakewater Road
Blackburn
Lancashire
BB1 5BG

5 June 2018

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Intangible assets	4		5,250		7,250
Property, plant and equipment	5		597,322		665,961
Investment property	6		<u>145,000</u>		-
			<u>747,572</u>		<u>673,211</u>
CURRENT ASSETS					
Inventories	7	1,059,961		1,164,532	
Debtors	8	961,395		978,995	
Cash at bank		<u>73,208</u>		<u>24,162</u>	
		2,094,564		2,167,689	
CREDITORS					
Amounts falling due within one year	9	<u>1,705,229</u>		<u>1,789,595</u>	
NET CURRENT ASSETS			<u>389,335</u>		<u>378,094</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,136,907		1,051,305
CREDITORS					
Amounts falling due after more than one year	10		(259,889)		(176,500)
PROVISIONS FOR LIABILITIES			<u>(54,724)</u>		<u>(54,724)</u>
NET ASSETS			<u><u>822,294</u></u>		<u><u>820,081</u></u>
CAPITAL AND RESERVES					
Called up share capital			4,500		4,500
Retained earnings	12		<u>817,794</u>		<u>815,581</u>
SHAREHOLDERS' FUNDS			<u><u>822,294</u></u>		<u><u>820,081</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

STATEMENT OF FINANCIAL POSITION - continued
31 MARCH 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 5 June 2018 and were signed on its behalf by:

Mr J C Hart - Director

Mr P Hart - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. STATUTORY INFORMATION

James Hart (Chorley) Ltd is a private company, limited by shares , registered in England and Wales.

The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- 12.5% on cost
Motor vehicles	- 25% on reducing balance
Office equipment	- 20% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet.

Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 39 (2017 - 38) .

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2017 and 31 March 2018	<u>20,000</u>
AMORTISATION	
At 1 April 2017	12,750
Amortisation for year	<u>2,000</u>
At 31 March 2018	<u>14,750</u>
NET BOOK VALUE	
At 31 March 2018	<u>5,250</u>
At 31 March 2017	<u>7,250</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018****5. PROPERTY, PLANT AND EQUIPMENT**

	Freehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Totals £
COST					
At 1 April 2017	531,091	203,447	237,736	110,026	1,082,300
Additions	3,464	6,782	14,290	3,710	28,246
Disposals	-	(17,215)	(23,133)	(34,054)	(74,402)
At 31 March 2018	<u>534,555</u>	<u>193,014</u>	<u>228,893</u>	<u>79,682</u>	<u>1,036,144</u>
DEPRECIATION					
At 1 April 2017	104,021	96,000	122,966	93,352	416,339
Charge for year	10,691	23,106	44,824	10,065	88,686
Eliminated on disposal	-	(17,215)	(14,934)	(34,054)	(66,203)
At 31 March 2018	<u>114,712</u>	<u>101,891</u>	<u>152,856</u>	<u>69,363</u>	<u>438,822</u>
NET BOOK VALUE					
At 31 March 2018	<u>419,843</u>	<u>91,123</u>	<u>76,037</u>	<u>10,319</u>	<u>597,322</u>
At 31 March 2017	<u>427,070</u>	<u>107,447</u>	<u>114,770</u>	<u>16,674</u>	<u>665,961</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2017	76,288	40,041	116,329
Additions	-	14,290	14,290
Transfer to ownership	(36,038)	-	(36,038)
At 31 March 2018	<u>40,250</u>	<u>54,331</u>	<u>94,581</u>
DEPRECIATION			
At 1 April 2017	18,547	5,276	23,823
Charge for year	5,032	9,199	14,231
Transfer to ownership	(13,515)	-	(13,515)
At 31 March 2018	<u>10,064</u>	<u>14,475</u>	<u>24,539</u>
NET BOOK VALUE			
At 31 March 2018	<u>30,186</u>	<u>39,856</u>	<u>70,042</u>
At 31 March 2017	<u>57,741</u>	<u>34,765</u>	<u>92,506</u>

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
Additions	<u>145,000</u>
At 31 March 2018	<u>145,000</u>
NET BOOK VALUE	
At 31 March 2018	<u>145,000</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018****7. INVENTORIES**

	2018	2017
	£	£
Parts stock	<u>1,059,961</u>	<u>1,164,532</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	817,509	861,631
Other debtors	<u>143,886</u>	<u>117,364</u>
	<u>961,395</u>	<u>978,995</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Bank loans and overdrafts	440,502	351,892
Hire purchase contracts	29,508	31,149
Trade creditors	902,929	1,122,040
Taxation and social security	173,880	125,755
Other creditors	<u>158,410</u>	<u>158,759</u>
	<u>1,705,229</u>	<u>1,789,595</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Hire purchase contracts	23,567	36,490
Other creditors	<u>236,322</u>	<u>140,010</u>
	<u>259,889</u>	<u>176,500</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Bank overdrafts	440,502	351,892
Hire purchase contracts	53,075	67,639
Other creditors	<u>291,993</u>	<u>221,246</u>
	<u>785,570</u>	<u>640,777</u>

The bank overdraft is secured by a fixed and floating charge over the property and assets of the company.

Obligations under hire purchase agreements are secured on the assets concerned.

Other creditors secured relate to a loan from the pension scheme of £291,993 (2017: 221,246). The loan is secured by a floating charge over the property and assets of the company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2018

12. **RESERVES**

Retained
earnings
£

At 1 April 2017	815,581
Profit for the year	57,213
Dividends	<u>(55,000)</u>
At 31 March 2018	<u>817,794</u>

13. **RELATED PARTY DISCLOSURES**

Advances to the directors in the period totalled £52,063.

14. **ULTIMATE CONTROLLING PARTY**

The controlling parties are Mr J C Hart and Mr P Hart by virtue of each having a beneficial interest of 95% of the issued ordinary share capital of the company.