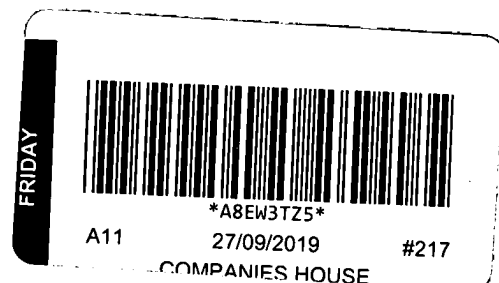


Lydon Contracting Limited

Filleted Unaudited Financial Statements

31 December 2018



Lydon Contracting Limited

Financial Statements

Year ended 31 December 2018

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Lydon Contracting Limited

Financial Statements

Year ended 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	2,222,160	2,428,437
Current assets			
Stocks		14,000	15,500
Debtors	6	912,396	1,330,917
Cash at bank and in hand		1,514,369	590,622
		<u>2,440,765</u>	<u>1,937,039</u>
Creditors: amounts falling due within one year	7	<u>1,191,549</u>	<u>1,264,104</u>
Net current assets		<u>1,249,216</u>	<u>672,935</u>
Total assets less current liabilities		<u>3,471,376</u>	<u>3,101,372</u>
Creditors: amounts falling due after more than one year	8	514,722	828,077
Provisions			
Taxation including deferred tax		144,300	144,300
Net assets		<u>2,812,354</u>	<u>2,128,995</u>
Capital and reserves			
Called up share capital	9	200	200
Profit and loss account		2,812,154	2,128,795
Shareholders funds		<u>2,812,354</u>	<u>2,128,995</u>

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'.

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

For the year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- 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;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 26/9/19 and are signed on behalf of the board by:



Mr B Lydon
Director

Company registration number: 03742284

The notes on pages 5 to 6 form part of these financial statements.

Lydon Contracting Limited

Accounting Policies

Year ended 31 December 2018

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.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the view of the director in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for contract services rendered, stated net of discounts and of Value Added Tax.

When the outcome of a transaction involving the rendering of contract services can be reliably estimated, revenue from the rendering of services is measured, on a contract-by-contract basis by reference to the stage of completion of the contract at the end of the reporting period.

When the outcome of a transaction involving the rendering of contract services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, except that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on a discounted/an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Tangible assets

Tangible assets are initially recorded at cost, and 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.

Lydon Contracting Limited

Accounting Policies *(continued)*

Year ended 31 December 2018

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, 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 equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity 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	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance

No depreciation is provided on the freehold land and buildings, which contravenes FRS 102. However the director considers that the property is maintained to a high standard such that its value is not impaired.

Impairment of fixed assets

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.

For the purposes of impairment testing, 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 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 stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Lydon Contracting Limited

Accounting Policies *(continued)*

Year ended 31 December 2018

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 as a finance cost in profit or loss in the period it arises.

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 as a finance cost in profit or loss in the period in which it arises.

Lydon Contracting Limited

Notes to the Financial Statements

Year ended 31 December 2018

1. General information

The company is a private company limited by shares, registered in England and Wales with company number 03742284. The address of the registered office and trading address is Cuttle Mill Nursery, Cuttle Mill Lane, Paulerspury, Towcester, NN12 7LZ.

2. Statement of compliance

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

3. Employee numbers

The average number of persons employed by the company during the year amounted to 22 (2017: 22).

4. Exceptional item

Exceptional costs relate to legal and court fees incurred in connection with a matter of commercial litigation which has now been concluded.

5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Total £
Cost				
At 1 January 2018	802,653	3,555,406	43,516	4,401,575
Additions	–	281,735	5,952	287,687
Disposals	–	(115,750)	–	(115,750)
At 31 December 2018	802,653	3,721,391	49,468	4,573,512
Depreciation				
At 1 January 2018	–	1,945,103	28,035	1,973,138
Charge for the year	–	452,174	4,298	456,472
Disposals	–	(78,258)	–	(78,258)
At 31 December 2018	–	2,319,019	32,333	2,351,352
Carrying amount				
At 31 December 2018	802,653	1,402,372	17,135	2,222,160
At 31 December 2017	802,653	1,610,303	15,481	2,428,437

6. Debtors

	2018 £	2017 £
Trade debtors	651,774	578,692
Other debtors	260,622	752,225
	912,396	1,330,917

Lydon Contracting Limited

Notes to the Financial Statements (continued)

Year ended 31 December 2018

7. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	25,889	26,889
Trade creditors	254,721	514,156
Corporation tax	205,052	77,221
Social security and other taxes	233,125	28,784
Other creditors	472,762	618,054
	<u>1,191,549</u>	<u>1,264,104</u>

8. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Bank loans and overdrafts	256,229	282,231
Other creditors	258,493	545,846
	<u>514,722</u>	<u>828,077</u>

Included within creditors: amounts falling due after more than one year is an amount of £150,000 (2017: £178,675) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The bank loan totalling £282,118 (2017: £308,120), including amounts due within one year, is secured by way of a fixed and floating charge over all of the company's assets.

9. Called up share capital

Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

10. Related party transactions

The company was under the control of Mr B Lydon throughout the current and previous year. Mr Lydon is the sole director and majority shareholder.

No further transactions with related parties were undertaken such as are required to be disclosed under FRS 102 Section 1A.