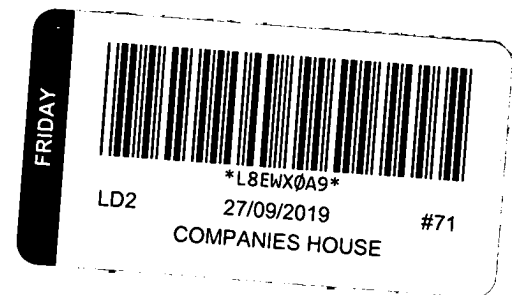


Company Registration No. 00627585 (England and Wales)

FUTURAMA SIGNS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2018



FUTURAMA SIGNS LIMITED

COMPANY INFORMATION

Directors	Mr M Edwards Mr D Hurley Mr J Evans Mr D Sharp Ms E Roberts Mr S Roberts Mr B Roberts	(Appointed 7 June 2018) (Appointed 27 February 2019) (Appointed 27 February 2019) (Appointed 27 February 2019)
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Secretary	Mr J Evans
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Company number	00627585
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Registered office	Olympia House Metro Park 45 Lockwood Court Leeds West Yorkshire LS11 5TY
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Auditor	BHP LLP New Chartford House Centurion Way Cleckheaton Bradford West Yorkshire BD19 3QB
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FUTURAMA SIGNS LIMITED

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FUTURAMA SIGNS LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2018

The directors present the strategic report for the eighteen month period ended 31 December 2018.

Business review

As many readers will know, on 9th July 2017 we received the very sad news of the untimely death of Rick Roberts, Futurama's owner and chairman. We pay tribute to his concern for and care of the business, and we are grateful for his skill and efforts in leading Futurama over many years.

The subsequent eighteen month period, which these accounts cover, has presented many challenges, along with some opportunities. Customer activity was lower than in the previous year, reflecting the timing of their planned rebranding activities. Consequently the business saw lower revenues and incurred losses, however we continue to win new blue-chip clients in both the UK and Europe, and Futurama is now the sole supplier of both signage and furniture to the Post Office.

Futurama has changed its accounting date from 30th June to 31st December; this offers operational advantages and better aligns our financial and budgeting cycle with those of our customers. This change has been applied to all the companies in the Futurama group.

Employee numbers reduced by one, from 98 to 97. The group continues to invest in its employees, with operational staff completing an NVQ in sign fitting, and office staff studying for qualifications supported by the Apprenticeship Levy fund.

Since the year end date, the business profitability has improved, driven by winning new contracts and customers, particularly in the retail sector, by a review of customer profitability, leading to a withdrawal from low-margin contracts, and by a focused reduction of overhead costs.

As we look towards 2020, the business is continuing with these initiatives, and is confident that this improvement in profit performance will continue.

Principal risks and uncertainties

The principal risk for the business is credit risk relating to the timing of contracts. Futurama Group is maintaining good cashflow to cover fixed overheads.

The business incurs credit risk with its customers, and mitigates this risk by regularly reviewing their payment terms, and monitoring the timeliness of payments.

In contrast to the general political uncertainty around Brexit, Futurama has begun a pan-European signage contract for a worldwide automotive brand, and is carrying out an increasing volume of furniture installations across Europe for another multinational automotive customer. We are mitigating the risk of post-Brexit disruption to the movement of goods by matching our supply capacity in Europe to customer demand in Europe, and likewise ensuring that our UK supply chain will meet the demands of UK-based customers.

Key performance indicators

The business' performance is measured by various key indicators.

The lower customer activity meant that turnover fell from £13,440,765 to £8,884,583 on an annualised basis (£13,326,874 in the eighteen month period), although the gross profit margin was maintained at 40.4%.

The loss for the period, before exceptional items and taxation, amounted to £1,205,274 (2017: a profit of £695,080).

Cash balances at the end of the year were £66,838, which is sufficient to fund future working capital movements.

FUTURAMA SIGNS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

On behalf of the board

.....*J Evans*.....

Mr J Evans

Director

.....25-9-19

FUTURAMA SIGNS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the period ended 31 December 2018.

Principal activities

The principal activity of the company continued to be that of corporate identity specialists.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr M Edwards	
Mr D Hurley	
Mr G Boulton	(Resigned 30 June 2019)
Mr J Evans	
Mr M Coates	(Resigned 30 June 2019)
Ms L Myers	(Appointed 1 May 2018 and resigned 30 June 2019)
Mr D Sharp	(Appointed 7 June 2018)
Ms E Roberts	(Appointed 27 February 2019)
Mr S Roberts	(Appointed 27 February 2019)
Mr B Roberts	(Appointed 27 February 2019)
Mr S Miller	(Resigned 1 May 2018)
Mr R Roberts	(Resigned 9 July 2017)

Results and dividends

The results for the period are set out on page 9.

No interim dividends were paid. The directors do not recommend payment of a final dividend.

Financial instruments

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal financial instruments comprise bank balances, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the business' operations.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Auditor

BHP LLP replaced KPMG LLP as auditor to the company during the period. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BHP LLP will therefore continue in office.

FUTURAMA SIGNS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

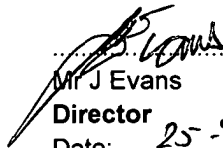
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of the fair review of the business, principal risks and uncertainties and future developments.

On behalf of the board


.....
Mr J Evans
Director
Date: 25-9-19

FUTURAMA SIGNS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2018

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FUTURAMA SIGNS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FUTURAMA SIGNS LIMITED

Opinion

We have audited the financial statements of Futurama Signs Limited (the 'company') for the period ended 31 December 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

FUTURAMA SIGNS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FUTURAMA SIGNS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

FUTURAMA SIGNS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF FUTURAMA SIGNS LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP

**Ann Brown (Senior Statutory Auditor)
for and on behalf of BHP LLP**

26-9-2019.

**Chartered Accountants
Statutory Auditor**

**New Chartford House
Centurion Way
Cleckheaton
Bradford
West Yorkshire
BD19 3QB**

FUTURAMA SIGNS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2018

		Period ended 31 December 2018 £	Year ended 30 June 2017 £
	Notes		
Turnover	3	13,326,874	13,440,765
Cost of sales		(7,947,626)	(8,009,389)
Gross profit		5,379,248	5,431,376
Administrative expenses		(6,584,548)	(4,739,208)
Other operating income		17,071	13,784
Operating (loss)/profit	4	(1,188,229)	705,952
Interest receivable and similar income	7	793	1,306
Interest payable and similar expenses	8	(17,838)	(12,178)
(Loss)/profit before taxation		(1,205,274)	695,080
Tax on (loss)/profit	9	109,469	(135,930)
(Loss)/profit for the financial period		(1,095,805)	559,150

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

FUTURAMA SIGNS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	10		12,398		-
Tangible assets	11		447,000		323,064
			<u>459,398</u>		<u>323,064</u>
Current assets					
Stocks	13	629,293		762,749	
Debtors	14	1,954,506		2,577,899	
Cash at bank and in hand		66,838		1,363,412	
		<u>2,650,637</u>		<u>4,704,060</u>	
Creditors: amounts falling due within one year	15	(2,038,176)		(2,885,018)	
Net current assets			<u>612,461</u>		<u>1,819,042</u>
Total assets less current liabilities			<u>1,071,859</u>		<u>2,142,106</u>
Creditors: amounts falling due after more than one year	16		(97,040)		(48,542)
Provisions for liabilities	18		(163,000)		(185,940)
Net assets			<u>811,819</u>		<u>1,907,624</u>
Capital and reserves					
Called up share capital	21		20,000		20,000
Other reserves			375		375
Profit and loss reserves			791,444		1,887,249
Total equity			<u>811,819</u>		<u>1,907,624</u>

The financial statements were approved by the board of directors and authorised for issue on 25-9-19 and are signed on its behalf by:


Mr. J. Evans
Director

Company Registration No. 00627585

FUTURAMA SIGNS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2018

	Share capital	Other reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 July 2016	20,000	375	1,328,099	1,348,474
Period ended 30 June 2017:				
Profit and total comprehensive income for the period	-	-	559,150	559,150
Balance at 30 June 2017	20,000	375	1,887,249	1,907,624
Period ended 31 December 2018:				
Loss and total comprehensive income for the period	-	-	(1,095,805)	(1,095,805)
Balance at 31 December 2018	20,000	375	791,444	811,819

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Futurama Signs Limited is a private company limited by shares incorporated in England and Wales. The registered office is Olympia House, Metro Park 45, Lockwood Court, Leeds, West Yorkshire, LS11 5TY.

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.

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 and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Futurama Signs Holdings Limited. These consolidated financial statements are available from its registered office at Olympia House, Metro Park 45, Lockwood Court, Leeds, England, LS11 5TY.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

Futurama has changed its accounting date from 30th June to 31st December; this offers operational advantages and better aligns our financial and budgeting cycle with those of our customers. This change has been applied to all the companies in the Futurama group.

1.4 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.

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Intellectual property	straight line over 5 years
-----------------------	----------------------------

1.6 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:

Leasehold improvements	over the period of the lease
Plant and machinery	10-20% straight line
Fixtures and fittings	10- 60% straight line
Displays	33% straight line
Motor vehicles	33% straight line

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.

1.7 Impairment of fixed assets

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

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.

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on a first-in first-out principle and 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. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand.

1.10 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.

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 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 profit before tax 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.

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

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.

1.13 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.14 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.

1.15 Retirement benefits

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

1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. 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 the profit and loss account 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 income 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 lease asset are consumed.

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.17 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 are included in the profit and loss account for the period.

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 Turnover and other revenue

	2018 £	2017 £
Turnover analysed by class of business		
Sales	13,326,874	13,440,765
	<u> </u>	<u> </u>
	2018 £	2017 £
Other significant revenue		
Interest income	793	1,306
	<u> </u>	<u> </u>
	2018 £	2017 £
Turnover analysed by geographical market		
UK	13,255,225	13,354,021
Europe	71,584	86,744
Rest of world	65	-
	<u> </u>	<u> </u>
	13,326,874	13,440,765
	<u> </u>	<u> </u>

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

4 Operating (loss)/profit

	2018	2017
	£	£
Operating (loss)/profit for the period is stated after charging/(crediting):		
Exchange losses	23,098	120,160
Fees payable to the company's auditor for the audit of the company's financial statements	20,000	12,000
Depreciation of owned tangible fixed assets	84,829	79,194
Depreciation of tangible fixed assets held under finance leases	60,639	10,053
Loss/(profit) on disposal of tangible fixed assets	17,817	(8,629)
Amortisation of intangible assets	3,774	-
Cost of stocks recognised as an expense	7,947,626	4,569,700
Operating lease charges	240,270	204,951
	<u> </u>	<u> </u>

5 Employees

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

	2018	2017
	Number	Number
Factory	48	45
Administration	45	50
Directors	4	3
	<u> </u>	<u> </u>
	97	98
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2018	2017
	£	£
Wages and salaries	3,791,218	2,514,035
Social security costs	379,579	241,788
Pension costs	40,247	17,296
	<u> </u>	<u> </u>
	4,211,044	2,773,119
	<u> </u>	<u> </u>

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

6 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	316,137	199,884

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2017 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2018 £	2017 £
Remuneration for qualifying services	87,917	-

Directors remuneration has been paid on behalf of other group companies for services relating to the group.

7 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Interest on bank deposits	793	1,306

8 Interest payable and similar expenses

	2018 £	2017 £
Interest on finance leases and hire purchase contracts	8,008	8,881
Bank charges and other interest	9,830	3,297
	17,838	12,178

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

9 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	(123,650)	123,529
Adjustments in respect of prior periods	121	-
	<u>(123,529)</u>	<u>123,529</u>
Deferred tax		
Origination and reversal of timing differences	14,060	12,401
	<u>14,060</u>	<u>12,401</u>
Total tax (credit)/charge	<u>(109,469)</u>	<u>135,930</u>

The actual (credit)/charge for the period can be reconciled to the expected (credit)/charge for the period based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
(Loss)/profit before taxation	<u>(1,205,274)</u>	<u>695,080</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.75%)	(229,002)	137,278
Tax effect of expenses that are not deductible in determining taxable profit	5,264	2,880
Tax effect of utilisation of tax losses	118,950	-
Change in unrecognised deferred tax assets	95,784	807
Adjustments in respect of prior years	(123,529)	-
Effect of change in corporation tax rate	-	(3,659)
Group relief	23,064	-
Other permanent differences	-	(8)
Under/(over) provided in prior years	-	(1,368)
Taxation (credit)/charge for the period	<u>(109,469)</u>	<u>135,930</u>

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

10 Intangible fixed assets

	Intellectual property £
Cost	
At 1 July 2017	-
Additions - separately acquired	16,172
At 31 December 2018	16,172
Amortisation and impairment	
At 1 July 2017	-
Amortisation charged for the period	3,774
At 31 December 2018	3,774
Carrying amount	
At 31 December 2018	12,398
At 30 June 2017	-

11 Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Displays £	Motor vehicles £	Total £
Cost						
At 1 July 2017	106,175	258,855	254,353	38,207	24,000	681,590
Additions	8,124	280,989	24,358	-	-	313,471
Disposals	-	(117,000)	-	-	-	(117,000)
At 31 December 2018	114,299	422,844	278,711	38,207	24,000	878,061
Depreciation						
At 1 July 2017	68,413	114,397	134,309	38,207	3,200	358,526
Depreciation charged in the period	8,864	81,863	47,541	-	7,200	145,468
Eliminated in respect of disposals	-	(72,933)	-	-	-	(72,933)
At 31 December 2018	77,277	123,327	181,850	38,207	10,400	431,061
Carrying amount						
At 31 December 2018	37,022	299,517	96,861	-	13,600	447,000
At 30 June 2017	37,762	144,458	120,044	-	20,800	323,064

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

11 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2018 £	2017 £
Plant and machinery	245,222	60,529
Motor vehicles	13,600	20,800
	<u>258,822</u>	<u>81,329</u>
Depreciation charge for the period in respect of leased assets	<u>60,639</u>	<u>10,053</u>

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Nature of business	Class of shares held	% Held	
			Direct	Indirect
Fairfield Displays Limited	Dormant	Ordinary	100.00	
Futurama Brollyrap Limited	Dormant	Ordinary	100.00	
Futurama Xtracs Limited	Dormant	Ordinary	100.00	

The value of the investments are not material and have therefore not been reflected in the financial statements to the 31 December 2018.

The registered office address for all subsidiaries is: Olympia House, Metro Park 45, Lockwood Court, Leeds, LS11 5TY.

13 Stocks

	2018 £	2017 £
Raw materials and consumables	277,369	56,767
Work in progress	351,924	705,982
	<u>629,293</u>	<u>762,749</u>

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

14 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	1,271,239	1,891,878
Corporation tax recoverable	123,650	-
Amounts owed by group undertakings	425,642	454,843
Other debtors	20,123	39,503
Prepayments and accrued income	113,852	191,675
	<u>1,954,506</u>	<u>2,577,899</u>

15 Creditors: amounts falling due within one year

	Notes	2018	2017
		£	£
Obligations under finance leases	17	91,454	19,866
Other borrowings		10,226	-
Trade creditors		1,380,580	1,465,037
Amounts due to group undertakings		59,372	-
Corporation tax		-	123,529
Other taxation and social security		159,207	401,689
Other creditors		7,035	2,891
Accruals and deferred income		330,302	872,006
		<u>2,038,176</u>	<u>2,885,018</u>

Other borrowings are secured by a floating charge over the property of the company.

16 Creditors: amounts falling due after more than one year

	Notes	2018	2017
		£	£
Obligations under finance leases	17	<u>97,040</u>	<u>48,542</u>

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2018

17 Finance lease obligations

	2018 £	2017 £
Future minimum lease payments due under finance leases:		
Within one year	91,454	19,866
In two to five years	97,040	48,542
	<u>188,494</u>	<u>68,408</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Obligations under finance leases are secured on the assets to which they relate to.

18 Provisions for liabilities

	Notes	2018 £	2017 £
Provisions		113,000	150,000
Deferred tax liabilities	19	50,000	35,940
		<u>163,000</u>	<u>185,940</u>

Movements on provisions apart from retirement benefits and deferred tax liabilities:

	Provisions £
At 1 July 2017	150,000
Utilisation of provision	(37,000)
At 31 December 2018	<u>113,000</u>

Included within provisions are amounts for:

	2018 £	2017 £
Warranties	13,000	50,000
Dilapidations	100,000	100,000
	<u>113,000</u>	<u>150,000</u>

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Accelerated capital allowances	50,000	35,940
	<u>50,000</u>	<u>35,940</u>
Movements in the period:		2018 £
Liability at 1 July 2017		35,940
Charge to profit or loss		14,060
		<u>50,000</u>
Liability at 31 December 2018		<u>50,000</u>

The net reversal of deferred tax liabilities expected to occur in the next year is £24,000.

20 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	40,247	17,296
	<u>40,247</u>	<u>17,296</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Contributions totalling £7,020 (2017- £2,883) were payable to the scheme at the end of the period and are included in creditors.

21 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
20,000 Ordinary shares of £1 each	20,000	20,000
	<u>20,000</u>	<u>20,000</u>
	<u>20,000</u>	<u>20,000</u>

FUTURAMA SIGNS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2018

22 Operating lease commitments

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

	2018 £	2017 £
Within one year	149,200	177,267
Between two and five years	415,528	417,180
In over five years	157,500	292,500
	<u>722,228</u>	<u>886,947</u>

23 Related party transactions

The directors have taken advantage of the exemption under FRS 102 not to disclose transactions and balances with other Group companies as they are eliminated on consolidation and the consolidated accounts are publically available.

Ultimate parent company and parent company of a larger group

The company is controlled by Futurama Limited and the ultimate party undertaking is Futurama Signs Holdings Limited. The ultimate controlling party is the estate of Mr R A Roberts: ownership passed to his estate on 9 July 2017.

The largest group in which the results of the Company are consolidated is that headed by Futurama Signs Holdings Limited, and the smallest group in which the results of the Company are consolidated is that headed by The Glendower Group Limited; both incorporated in the UK. The consolidated financial statements of these groups are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ or the registered office.