

Company Registration No. 01871250 (England and Wales)

FINE CUT GROUP LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2018

PAGES FOR FILING WITH REGISTRAR

Approved for filing on behalf of the directors

**The Courtyard
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN**

FINE CUT GROUP LIMITED

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FINE CUT GROUP LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2018

	2018	2017
	£	£
Profit for the year	81,013	295,744
Other comprehensive income		
Revaluation of tangible fixed assets	347,933	-
	<hr/>	<hr/>
Total comprehensive income for the year	428,946	295,744
	<hr/> <hr/>	<hr/> <hr/>

FINE CUT GROUP LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	3		358,132		264,650
Tangible assets	4		1,609,685		1,707,860
Investments	5		8		8
			<u>1,967,825</u>		<u>1,972,518</u>
Current assets					
Stocks		100,196		100,543	
Debtors	6	553,233		686,137	
Cash at bank and in hand		277,348		311,057	
		<u>930,777</u>		<u>1,097,737</u>	
Creditors: amounts falling due within one year	7	(619,415)		(877,355)	
		<u>311,362</u>		<u>220,382</u>	
Net current assets					
			311,362		220,382
Total assets less current liabilities			<u>2,279,187</u>		<u>2,192,900</u>
Creditors: amounts falling due after more than one year	8	(549,096)		(812,123)	
			<u>1,730,091</u>		<u>1,380,777</u>
Net assets			<u>1,730,091</u>		<u>1,380,777</u>
Capital and reserves					
Called up share capital	9	15,566		15,566	
Share premium account		49,504		49,504	
Revaluation reserve		347,933		-	
Profit and loss reserves	10	1,317,088		1,315,707	
		<u>1,730,091</u>		<u>1,380,777</u>	
Total equity			<u>1,730,091</u>		<u>1,380,777</u>

FINE CUT GROUP LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2018

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 27 June 2019 and are signed on its behalf by:

Mr P R Tyler
Director

Company Registration No. 01871250

FINE CUT GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Share capital	Share premium account	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£	£
Balance at 1 October 2016	15,566	49,504	-	1,099,595	1,164,665
Year ended 30 September 2017:					
Profit and total comprehensive income for the year	-	-	-	295,744	295,744
Dividends	-	-	-	(79,632)	(79,632)
Balance at 30 September 2017	15,566	49,504	-	1,315,707	1,380,777
Year ended 30 September 2018:					
Profit for the year	-	-	-	81,013	81,013
Other comprehensive income:					
Revaluation of tangible fixed assets	-	-	347,933	-	347,933
Total comprehensive income for the year	-	-	347,933	81,013	428,946
Dividends	-	-	-	(79,632)	(79,632)
Balance at 30 September 2018	15,566	49,504	347,933	1,317,088	1,730,091

FINE CUT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

Company information

Fine Cut Group Limited (01871250) is a private company limited by shares incorporated in England and Wales. The registered office is The Courtyard, Shoreham Road, Upper Beeding, Steyning, West Sussex, BN44 3TN.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 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.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is ten years.

1.4 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:

Freehold land and buildings	2% on cost
Plant and equipment	10% on straight line
Fixtures and fittings	25% on reducing balance
Motor vehicles	25% on cost and over the term of the lease

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.

FINE CUT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies (Continued)

During the year the depreciation policy for plant and equipment was changed from 10% reducing balance to 10% straight line in order to represent the useful life of the assets more accurately.

1.5 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.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost 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.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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.

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.

FINE CUT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

1.9 Equity instruments

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

1.10 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 net profit 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.

Deferred tax

Deferred tax has not been provided in these accounts as, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future. This does not comply with Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". If full provision for deferred tax was made in these accounts, there would be a liability at 30 September 2018 £251,643 (2017: £220,255).

1.11 Retirement benefits

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

FINE CUT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

1 Accounting policies (Continued)

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. 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 profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.13 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 Employees

The average monthly number of persons (including directors) employed by the company during the year was 41 (2017 - 41).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 October 2017	376,735
Additions	136,325
	<hr/>
At 30 September 2018	513,060
	<hr/>
Amortisation and impairment	
At 1 October 2017	112,085
Amortisation charged for the year	42,843
	<hr/>
At 30 September 2018	154,928
	<hr/>
Carrying amount	
At 30 September 2018	358,132
	<hr/> <hr/>
At 30 September 2017	254,650
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FINE CUT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

4 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 October 2017	411,129	2,080,549	200,421	23,245	2,715,344
Additions	-	81,750	4,708	-	86,458
Disposals	-	(570,950)	(89,774)	-	(660,724)
Revaluations	-	(291,349)	-	-	(291,349)
At 30 September 2018	411,129	1,300,000	115,355	23,245	1,849,729
Depreciation and impairment					
At 1 October 2017	141,421	726,193	117,998	21,872	1,007,484
Depreciation charged in the year	8,223	142,325	38,931	1,373	190,852
Eliminated in respect of disposals	-	(229,236)	(89,774)	-	(319,010)
Revaluations	-	(639,282)	-	-	(639,282)
At 30 September 2018	149,644	-	67,155	23,245	240,044
Carrying amount					
At 30 September 2018	261,485	1,300,000	48,200	-	1,609,685
At 30 September 2017	269,708	1,354,356	82,423	1,373	1,707,860

Plant and equipment with a carrying amount of £952,070 were revalued at 30 September 2018 by directors. The valuation was based on recent market transactions on arm's length terms for similar plant and equipment.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2018 £	2017 £
Cost	1,591,349	-
Accumulated depreciation	(639,279)	-
Carrying value	952,070	-

FINE CUT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

5 Fixed asset investments

	2018	2017
	£	£
Investments	8	8
	<u> </u>	<u> </u>

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 October 2017 & 30 September 2018	8
	<u> </u>
Carrying amount	
At 30 September 2018	8
	<u> </u>
At 30 September 2017	8
	<u> </u>

6 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	420,317	428,670
Amounts owed by subsidiary	-	13,758
Other debtors	-	31,033
Prepayments and accrued income	132,916	212,676
	<u> </u>	<u> </u>
	553,233	686,137
	<u> </u>	<u> </u>

FINE CUT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

7 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	91,015	59,232
Obligations under hire purchase agreements	64,647	119,714
Trade creditors	328,025	658,875
Taxation and social security	110,375	23,744
Other creditors	10,404	10,196
Accruals and deferred income	14,949	5,594
	<u>619,415</u>	<u>877,355</u>

The hire purchase liabilities are secured on the assets to which they relate.

8 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Bank loans and overdrafts	186,975	180,905
Obligations under hire purchase agreements	63,656	163,637
Other creditors	298,465	467,581
	<u>549,096</u>	<u>812,123</u>

The hire purchase liabilities are secured on the assets to which they relate.

9 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
1 (2017: 0) C Ordinary share of £1 each	1	1
1 (2017: 0) B Ordinary share of £1 each	1	1
15,086 (2017: 0) Ordinary share of £1 each	15,086	15,086
1 (2017: 0) D Ordinary share of £1 each	1	1
1 (2017: 0) A Ordinary share of £1 each	1	1
476 (2017: 0) Ordinary share non voting of £1 each	476	476
	<u>15,566</u>	<u>15,566</u>

FINE CUT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2018

10 Profit and loss reserves

Included within profit and loss reserves are non-distributable reserves totalling £347,933 (2017: £Nil).

11 Related party transactions

Remuneration of key management personnel

The company was controlled throughout the year under review by its directors, by virtue of the fact that they own the majority of the voting share capital of the company.

At the balance sheet date the company owed £324,832 (2017: £462,581) to Pinescape Retirement and Death Benefit Scheme of which the directors are trustees.

During the year the company paid rent to Pinescape Retirement and Death Benefit Scheme of £47,850 (2017: £51,050).

At 1 October 2017 the company owed its directors £3,366. During the year further funds were repaid by the company and at the balance sheet date £1,485 was outstanding. The loan is interest free and repayable on demand.

During the year dividends of £79,632 (2017: £79,632) were paid to the directors and close family members.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.