

Company Registration No. 02804823 (England and Wales)

SMD LANCASTER LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2017
PAGES FOR FILING WITH REGISTRAR

SMD LANCASTER LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 8

SMD LANCASTER LIMITED

BALANCE SHEET

AS AT 30 NOVEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets	3		25,000		60,835
Tangible assets	4		1,447		3,173
Current assets					
Stocks		980		950	
Debtors	5	9,961		8,416	
Cash at bank and in hand		10,646		8,102	
		<u>21,587</u>		<u>17,468</u>	
Creditors: amounts falling due within one year	6	<u>(16,290)</u>		<u>(14,492)</u>	
Net current assets			5,297		2,976
Total assets less current liabilities			31,744		66,984
Provisions for liabilities			(72)		(359)
Net assets			<u>31,672</u>		<u>66,625</u>
Capital and reserves					
Called up share capital	7		2		2
Profit and loss reserves			31,670		66,623
Total equity			<u>31,672</u>		<u>66,625</u>

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 Period ended 30 November 2017 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 Period 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.

SMD LANCASTER LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 NOVEMBER 2017

The financial statements were approved by the board of directors and authorised for issue on 13 August 2018 and are signed on its behalf by:

Mr G Riding
Director

Company Registration No. 02804823

SMD LANCASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 NOVEMBER 2017

1 Accounting policies

Company information

SMD Lancaster Limited is a private company limited by shares incorporated in England and Wales. The registered office is Rainsborrow, Mowbrick Lane, Hest Bank, Lancaster, LA2 6DL.

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. The principal accounting policies adopted are set out below.

These financial statements for the Period ended 30 November 2017 are the first financial statements of SMD Lancaster Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The company is reliant upon the continued support of the directors who have indicated that they will continue to provide support to the company for a period of at least 12 months from the date of approval of the financial statements. The directors therefore consider that the company remains a going concern and have prepared the financial statements on this basis.

1.3 Turnover

Turnover represents amounts receivable for goods net of VAT.

1.4 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

1.5 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:

Fixtures, fittings & equipment	20% Straight line
Motor vehicles	25% 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.

SMD LANCASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2017

1 Accounting policies

(Continued)

1.6 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.

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.

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value,

1.8 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.

1.9 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.

SMD LANCASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2017

1 Accounting policies

(Continued)

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, 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.

1.10 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.

1.11 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

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 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 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.

SMD LANCASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2017

1 Accounting policies

(Continued)

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.14 Retirement benefits

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

1.15 Leases

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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the Period was 3 (2016 - 3).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 June 2016 and 30 November 2017	105,800
Amortisation and impairment	
At 1 June 2016	44,965
Amortisation charged for the Period	18,251
Impairment losses	17,584
At 30 November 2017	80,800
Carrying amount	
At 30 November 2017	25,000
At 31 May 2016	60,835

More information on the impairment arising in the Period is given in note .

SMD LANCASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2017

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 June 2016 and 30 November 2017	74,881
Depreciation and impairment	
At 1 June 2016	71,708
Depreciation charged in the Period	1,726
At 30 November 2017	73,434
Carrying amount	
At 30 November 2017	1,447
At 31 May 2016	3,173

5 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Corporation tax recoverable	2,134	-
Other debtors	7,500	7,500
Prepayments and accrued income	327	916
	9,961	8,416

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	3,511	2,489
Corporation tax	-	3,275
Other taxation and social security	3,204	3,574
Other creditors	6,999	2,699
Accruals and deferred income	2,576	2,455
	16,290	14,492

SMD LANCASTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 NOVEMBER 2017

7 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
2 Ordinary Shares of £1 each	2	2
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>

8 Directors' transactions

During the period the company operated a loan account with the directors. At the financial period end there was an amount of £6,999 (2016 - £2,699) owed to the directors by the company.

Mr & Mrs Riding, directors, have granted the company occupancy of the business premises known as The Wee Chippy, 68 Natland Road, Kendal.

The total rent paid by the company for the occupation of the premises owned by the director and his wife, Mrs K Riding, was £1,900 (2016 - £4,800).

To provide security for the company's present and future occupancy of the business premises, the company has paid to the landlords a rent deposit of £7,500.

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.