

Company Registration No. 03334577 (England and Wales)

FRIEND-JAMES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
PAGES FOR FILING WITH REGISTRAR

FRIEND-JAMES LIMITED

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FRIEND-JAMES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

		2019		2018 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		76,553		60,603
Current assets					
Stocks		452,028		540,910	
Debtors	4	781,624		696,448	
Cash at bank and in hand		-		4	
		<u>1,233,652</u>		<u>1,237,362</u>	
Creditors: amounts falling due within one year	5	<u>(484,046)</u>		<u>(406,660)</u>	
Net current assets			749,606		830,702
Total assets less current liabilities			<u>826,159</u>		<u>891,305</u>
Creditors: amounts falling due after more than one year	6		-		(9,005)
Provisions for liabilities			<u>(61,982)</u>		<u>(61,982)</u>
Net assets			<u><u>764,177</u></u>		<u><u>820,318</u></u>
Capital and reserves					
Called up share capital	7		20,005		20,005
Profit and loss reserves			744,172		800,313
Total equity			<u><u>764,177</u></u>		<u><u>820,318</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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 21 February 2020 and are signed on its behalf by:

M Carter
Director

Company Registration No. 03334577

FRIEND-JAMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Friend-James Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4th Floor, Park Gate, 161-163 Preston Road, Brighton, East Sussex, BN1 6AF.

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.

1.2 Prior period error

The financial statements for the year to 31st March 2018 have been restated to incorporate the restatement of the work in progress valuation as at 31st March 2018. These adjustments have resulted in profits available for distribution at 31st March 2018 reducing after tax by £24,082.

Summary of the prior year accounting impact	£
Reduction in stock - Work in progress	(79,731)
Reallocation of accruals to provisions and reduction of such	50,000
Reduction in creditors - Corporation Tax	5,649

1.3 Turnover

Turnover represents amounts receivable for services excluding VAT.

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:

Plant and machinery	10% straight line
Fixtures, fittings & equipment	10% or 20% straight line
Computer equipment	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.

FRIEND-JAMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

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

1.6 Stocks

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.

1.7 Cash and cash equivalents

Cash and cash equivalents 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 statement of financial position when the company becomes party to the contractual provisions of the instrument.

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.

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 receipts discounted at a market rate of interest. 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.

FRIEND-JAMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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 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.

1.11 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 income statement 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 taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.12 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.

1.13 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, if material.

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.

1.14 Retirement benefits

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

FRIEND-JAMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 45 (2018 - 44).

3 Tangible fixed assets

Plant and
machinery etc

£

Cost

At 1 April 2018	191,655
Additions	52,057
Disposals	(2,702)
At 31 March 2019	241,010

Depreciation and impairment

At 1 April 2018	131,052
Depreciation charged in the year	24,569
Impairment losses	11,010
Eliminated in respect of disposals	(2,174)
At 31 March 2019	164,457

Carrying amount

At 31 March 2019	76,553
At 31 March 2018	60,603

4 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	671,751	646,843
Corporation tax recoverable	18,581	-
Other debtors	91,292	49,605
	781,624	696,448

FRIEND-JAMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	81,178	48,512
Trade creditors	10,863	5,607
Corporation tax	-	32,979
Other taxation and social security	158,201	190,078
Other creditors	233,804	129,484
	<u>484,046</u>	<u>406,660</u>

The bank overdraft is secured by way of a fixed and floating charge over the assets of the company by National Westminster Bank Plc.

6 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	-	9,005
	<u>-</u>	<u>9,005</u>

7 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
20,000 Ordinary shares of £1 each	20,000	20,000
5 Ordinary A shares of £1 each	5	5
	<u>20,005</u>	<u>20,005</u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The statutory auditor was Trevor Rose FCA, CTA.

The auditor was Crossley Financial Accounting Limited.

FRIEND-JAMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Operating lease commitments

Lessee

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

2019	2018
£	£
414,980	518,725
<u> </u>	<u> </u>

10 Events after the reporting date

On 1st April 2018, R H Clow resigned as a director.

On 1st May 2018, W Roberts was appointed as a director.

On 31st August 2018, M D Westbury resigned as a director.

11 Related party transactions

The three directors were also partners in Friend-James LLP, which during the year supplied services to the Limited Company amounting to £351,062.34 (£392,453.25 2018).

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.