

Registration number: 03836659

# The Dower House Canwick Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 May 2017

Saul Fairholm Limited  
12 Tentercroft Street  
Lincoln  
LN5 7DB

# **The Dower House Canwick Limited**

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# **The Dower House Canwick Limited**

## **Company Information**

<b>Director</b>	Mr N A McCluskey
<b>Company secretary</b>	Mr N A McCluskey
<b>Registered office</b>	The Dower House Montagu Road Canwick Lincoln Lincolnshire LN4 2RW
<b>Bankers</b>	HSBC Bank plc 221 High Street Lincoln LN2 1TS
<b>Accountants</b>	Saul Fairholm Limited 12 Tentercroft Street Lincoln LN5 7DB

# The Dower House Canwick Limited

(Registration number: 03836659)

## Balance Sheet as at 31 May 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	23,592	28,723
<b>Current assets</b>			
Stocks	<u>6</u>	3,500	4,900
Debtors	<u>7</u>	32,197	30,716
Cash at bank and in hand		39	40
		<u>35,736</u>	<u>35,656</u>
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	<u>(37,370)</u>	<u>(37,181)</u>
<b>Net current liabilities</b>		<u>(1,634)</u>	<u>(1,525)</u>
<b>Total assets less current liabilities</b>		21,958	27,198
<b>Creditors: Amounts falling due after more than one year</b>	<u>8</u>	<u>(15,152)</u>	<u>(21,360)</u>
<b>Provisions for liabilities</b>		<u>(4,482)</u>	<u>(5,675)</u>
<b>Net assets</b>		<u>2,324</u>	<u>163</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>2,224</u>	<u>63</u>
<b>Total equity</b>		<u>2,324</u>	<u>163</u>

For the financial year ending 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

### Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 10 form an integral part of these financial statements.

**The Dower House Canwick Limited**

**(Registration number: 03836659)**

**Balance Sheet as at 31 May 2017**

Approved and authorised by the director on 14 February 2018

.....

Mr N A McCluskey

Director

The notes on pages 4 to 10 form an integral part of these financial statements.

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# **The Dower House Canwick Limited**

## **Notes to the Financial Statements for the Year Ended 31 May 2017**

### **1 General information**

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:

The Dower House Montagu Road  
Canwick  
Lincoln  
Lincolnshire  
LN4 2RW

The principal place of business is:

The Dower House  
Montagu Road  
Canwick  
Lincoln  
LN4 2RW

These financial statements were authorised for issue by the director on 14 February 2018.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

These financial statements for the year ended 31st May 2017 are the first financial statements that comply with FRS 102 Section 1A. The date of transition is 1st June 2015. The transition to FRS 102 Section 1A has resulted in no changes in accounting policies to those used previously.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for hairdressing. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by

the reporting date in the countries where the company operates and generates taxable income.

# **The Dower House Canwick Limited**

## **Notes to the Financial Statements for the Year Ended 31 May 2017**

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	15% straight line method
Fixtures and fittings	15% straight line method
Office equipment	25% straight line method

### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2003, has been amortised evenly over its estimated useful life of ten years.

### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	10 years straight line

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

# **The Dower House Canwick Limited**

## **Notes to the Financial Statements for the Year Ended 31 May 2017**

### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## **The Dower House Canwick Limited**

### **Notes to the Financial Statements for the Year Ended 31 May 2017**

#### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 5 (2016 - 5).

# The Dower House Canwick Limited

## Notes to the Financial Statements for the Year Ended 31 May 2017

### 4 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 June 2016	110,000	110,000
At 31 May 2017	110,000	110,000
<b>Amortisation</b>		
At 1 June 2016	110,000	110,000
At 31 May 2017	110,000	110,000
<b>Carrying amount</b>		
At 31 May 2017	-	-

### 5 Tangible assets

	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>			
At 1 June 2016	36,735	2	36,737
At 31 May 2017	36,735	2	36,737
<b>Depreciation</b>			
At 1 June 2016	8,014	2	8,016
Charge for the year	5,129	-	5,129
At 31 May 2017	13,143	2	13,145
<b>Carrying amount</b>			
At 31 May 2017	23,592	-	23,592
At 31 May 2016	28,723	-	28,723

### 6 Stocks

	2017 £	2016 £
Other inventories	3,500	4,900



# The Dower House Canwick Limited

## Notes to the Financial Statements for the Year Ended 31 May 2017

	2017 £	2016 £
Other debtors	32,197	30,716
Total current trade and other debtors	<u>32,197</u>	<u>30,716</u>

### 8 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Loans and borrowings	9	20,465	26,828
Taxation and social security		7,706	4,843
Other creditors		<u>9,199</u>	<u>5,510</u>
		<u>37,370</u>	<u>37,181</u>
<b>Due after one year</b>			
Loans and borrowings	9	<u>15,152</u>	<u>21,360</u>

### 9 Loans and borrowings

	2017 £	2016 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	<u>15,152</u>	<u>21,360</u>

	2017 £	2016 £
<b>Current loans and borrowings</b>		
Bank borrowings	5,696	5,184
Bank overdrafts	<u>14,769</u>	<u>21,644</u>
	<u>20,465</u>	<u>26,828</u>

#### Bank borrowings

Bank loan and borrowings is denominated in £. The carrying amount at year end is £35,617 (2016 - £48,188).

Security is held over the bank loan and borrowings by fixed and floating charges over the undertaking and all property and assets present and future including goodwill bookdebts uncalled capital buildings fixtures fixed plant and machinery.

# The Dower House Canwick Limited

## Notes to the Financial Statements for the Year Ended 31 May 2017

### 10 Related party transactions

#### Transactions with directors

	At 1 June 2016 £	Advances to directors £	Repayments by director £	At 31 May 2017 £
<b>2017</b>				
<b>Mr N A McCluskey</b>				
Directors loan account, interest charged	(18,292)	(21,578)	14,706	(25,164)

	At 1 June 2015 £	Advances to directors £	Repayments by director £	At 31 May 2016 £
<b>2016</b>				
<b>Mr N A McCluskey</b>				
Directors loan account, interest charged	(18,092)	(28,469)	28,268	(18,292)

#### Directors' remuneration

The director's remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	7,462	7,462

### 11 Transition to FRS 102

This is the first year that The Dower House Canwick Limited has presented its financial statements under Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council. The last financial statements for the year ended 31st May 2016 were prepared under previous UK GAAP and the transition date to FRS 102 is therefore 1st June 2015.

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.