

ROBERT TODD & SON LIMITED

UNAUDITED
FINANCIAL STATEMENTS

31 OCTOBER 2017



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COMPANIES HOUSE

ArmstrongWatson[®]
Accountants & Financial Advisers

ROBERT TODD & SON LIMITED
REGISTERED NUMBER: 04033938

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2017

| | Note | 2017 £ | 2016 £ |
|---|------|----------------------|----------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 15,598 | 18,545 |
| | | <u>15,598</u> | <u>18,545</u> |
| Current assets | | | |
| Stocks | 5 | 212,118 | 113,952 |
| Debtors: amounts falling due within one year | 6 | 728,376 | 406,608 |
| Cash at bank and in hand | 7 | 203,391 | 155,477 |
| | | <u>1,143,885</u> | <u>676,037</u> |
| Creditors: amounts falling due within one year | 8 | (984,127) | (502,133) |
| Net current assets | | <u>159,758</u> | <u>173,904</u> |
| Total assets less current liabilities | | <u>175,356</u> | <u>192,449</u> |
| Creditors: amounts falling due after more than one year | 9 | (159,218) | (181,695) |
| Provisions for liabilities | | | |
| Deferred tax | | (2,510) | - |
| | | <u>(2,510)</u> | <u>-</u> |
| Net assets | | <u><u>13,628</u></u> | <u><u>10,754</u></u> |

ROBERT TODD & SON LIMITED
REGISTERED NUMBER: 04033938

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2017

| | Note | 2017 £ | 2016 £ |
|-----------------------------|------|---------------|---------------|
| Capital and reserves | | | |
| Called up share capital | 12 | 66 | 66 |
| Capital redemption reserve | | 34 | 34 |
| Profit and loss account | | 13,528 | 10,654 |
| | | <u>13,628</u> | <u>10,754</u> |

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.


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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
Mr A D Thomas
Director

Date: 19 Dec 2017

The notes on pages 3 to 10 form part of these financial statements.

ROBERT TODD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

1. General information

Robert Todd & Son Limited is a private company limited by shares incorporated in England & Wales. The company registration number is 04033938. The registered office is Fairview House, Victoria Place, Carlisle, Cumbria CA1 1HP and the principal place of business is The Coach House, 15 Etterby Scaur, Carlisle, Cumbria CA3 9PA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue is recognised upon the despatch of goods for wholesale. Commission on garment sales is recognised when goods are despatched to the ultimate purchaser. Commission is recognised quarterly on yarn sales upon recognition by the supplier of amounts paid.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the methods detailed below.

Depreciation is provided on the following basis:

| | |
|-----------------------|------------------------|
| Motor vehicles | - 25% reducing balance |
| Fixtures and fittings | - 15% reducing balance |
| Office equipment | - 33% straight line |
| Website | - 33% straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

ROBERT TODD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

2. Accounting policies (continued)

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is 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.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

ROBERT TODD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

2. Accounting policies (continued)

2.10 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.13 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

2.14 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

ROBERT TODD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

2. Accounting policies (continued)

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 15 (2016 - 13).

ROBERT TODD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

4. Tangible fixed assets

| | Motor vehicles £ | Fixtures and fittings £ | Office equipment £ | Website £ | Total £ |
|--|------------------------|-------------------------------|--------------------------|--------------|------------|
| Cost or valuation | | | | | |
| At 1 November 2016 | 10,562 | 4,994 | 17,831 | 13,020 | 46,407 |
| Additions | - | - | 3,889 | - | 3,889 |
| Disposals | - | - | (892) | - | (892) |
| At 31 October 2017 | 10,562 | 4,994 | 20,828 | 13,020 | 49,404 |
| Depreciation | | | | | |
| At 1 November 2016 | 2,201 | 1,239 | 12,914 | 11,508 | 27,862 |
| Charge for the year on owned assets | 2,090 | 563 | 2,671 | 1,512 | 6,836 |
| Disposals | - | - | (892) | - | (892) |
| At 31 October 2017 | 4,291 | 1,802 | 14,693 | 13,020 | 33,806 |
| Net book value | | | | | |
| At 31 October 2017 | 6,271 | 3,192 | 6,135 | - | 15,598 |
| At 31 October 2016 | 8,361 | 3,755 | 4,917 | 1,512 | 18,545 |

5. Stocks

| | 2017 £ | 2016 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 212,118 | 113,952 |

6. Debtors

| | 2017 £ | 2016 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 705,070 | 374,170 |
| Other debtors | 5,657 | 15,577 |
| Prepayments and accrued income | 17,649 | 16,861 |
| | 728,376 | 406,608 |

ROBERT TODD & SON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

7. Cash and cash equivalents

| | 2017 £ | 2016 £ |
|--------------------------|----------------|-----------|
| Cash at bank and in hand | 203,391 | 155,477 |

8. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|------------------------------------|----------------|-----------|
| Bank loans | 22,478 | 20,605 |
| Trade creditors | 603,297 | 217,664 |
| Corporation tax | 3,264 | 1,886 |
| Other taxation and social security | 245,850 | 187,256 |
| Other creditors | 43,597 | 9,770 |
| Accruals and deferred income | 65,641 | 64,952 |
| | 984,127 | 502,133 |

9. Creditors: Amounts falling due after more than one year

| | 2017 £ | 2016 £ |
|------------|----------------|-----------|
| Bank loans | 159,218 | 181,695 |

Secured loans

Bank loans of £181,695 (2016 - £202,300) are secured on the assets to which they relate.

10. Loans

Analysis of the maturity of loans is given below:

| | 2017 £ | 2016 £ |
|--|----------------|-----------|
| Amounts falling due within one year | | |
| Bank loans | 22,478 | 20,605 |
| Amounts falling due 2-5 years | | |
| Bank loans | 64,733 | 67,433 |
| Amounts falling due after more than 5 years | | |
| Bank loans | 94,484 | 114,262 |
| | 181,695 | 202,300 |

ROBERT TODD & SON LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

11. Deferred taxation

| | 2017 £ | 2016 £ |
|---------------------------|--------------|-----------|
| At beginning of year | - | 4,015 |
| Charged to profit or loss | 2,510 | (4,015) |
| At end of year | 2,510 | - |

The deferred taxation balance is made up as follows:

| | 2017 £ | 2016 £ |
|--------------------------------|-----------|-----------|
| Accelerated capital allowances | 2,510 | - |

12. Share capital

| | 2017 £ | 2016 £ |
|---|-----------|-----------|
| Shares classified as equity | | |
| Allotted, called up and fully paid | | |
| 66 Ordinary shares of £1 each | 66 | 66 |

13. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £27,874 (2016 - £23,270). Contributions totalling £2,053 (2016 - £1,637) were payable to the fund at the reporting date and are included in creditors.

14. Related party transactions

During the year no dividends (2016 - £112,510) were paid to the directors.

Personal guarantees have been provided by the directors in respect of bank borrowings.

15. Controlling party

The company was under the control of the directors throughout the current and previous year.

ROBERT TODD & SON LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

16. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.