

Company Registration No. 04422215 (England and Wales)

**MR SCRATCHINGS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2018**  
**PAGES FOR FILING WITH REGISTRAR**

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# MR SCRATCHINGS LIMITED

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# MR SCRATCHINGS LIMITED

## BALANCE SHEET

AS AT 30 APRIL 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Intangible assets	3		241		482
Tangible assets	4		119,676		137,661
<b>Current assets</b>					
Stocks		101,680		107,828	
Debtors	5	142,991		109,962	
Cash at bank and in hand		139,374		61,745	
		<u>384,045</u>		<u>279,535</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(318,010)</u>		<u>(260,027)</u>	
<b>Net current assets</b>			<u>66,035</u>		<u>19,508</u>
<b>Total assets less current liabilities</b>			<u>185,952</u>		<u>157,651</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(2,778)		(16,194)
<b>Provisions for liabilities</b>			<u>(22,738)</u>		<u>(26,156)</u>
<b>Net assets</b>			<u>160,436</u>		<u>115,301</u>
<b>Capital and reserves</b>					
Called up share capital	8		350		350
Profit and loss reserves			160,086		114,951
<b>Total equity</b>			<u>160,436</u>		<u>115,301</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 year ended 30 April 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.

# **MR SCRATCHINGS LIMITED**

## **BALANCE SHEET (CONTINUED)**

**AS AT 30 APRIL 2018**

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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:

G R Clayton  
Director

A handwritten signature in black ink, appearing to read 'G R Clayton', is written over the printed name and title.

Company Registration No. 04422215

# MR SCRATCHINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 APRIL 2018**

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### **1 Accounting policies**

#### **Company information**

Mr Scratchings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Rope Walk, Skipton, BD23 1ED.

#### **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 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **1.3 Intangible fixed assets - goodwill**

#### **1.4 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation 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:

Trademark

10 years straight line

#### **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.

# MR SCRATCHINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

### 1 Accounting policies

(Continued)

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	15% Reducing balance
Computer equipment	33% Reducing balance
Motor vehicles	25% Reducing balance

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.

#### 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.

#### 1.7 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

#### 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.

# MR SCRATCHINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

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### 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.

# MR SCRATCHINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

### 1 Accounting policies

(Continued)

#### 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.

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.

#### 1.15 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 the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 year was 14 (2016 - 12).

### 3 Intangible fixed assets

	Goodwill £	Other £	Total £
<b>Cost</b>			
At 1 May 2017 and 30 April 2018	26,500	2,410	28,910
<b>Amortisation and impairment</b>			
At 1 May 2017	26,500	1,928	28,428
Amortisation charged for the year	-	241	241
At 30 April 2018	26,500	2,169	28,669
<b>Carrying amount</b>			
At 30 April 2018	-	241	241
At 30 April 2017	-	482	482



# MR SCRATCHINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 May 2017	256,256
Additions	18,929
At 30 April 2018	275,185
<b>Depreciation and impairment</b>	
At 1 May 2017	118,595
Depreciation charged in the year	36,914
At 30 April 2018	155,509
<b>Carrying amount</b>	
At 30 April 2018	119,676
At 30 April 2017	137,661

### 5 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	140,741	106,427
Other debtors	2,250	3,535
	142,991	109,962

### 6 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	-	5,564
Trade creditors	253,609	196,888
Corporation tax	27,548	5,712
Other taxation and social security	19,501	10,137
Other creditors	17,352	41,726
	318,010	260,027

# MR SCRATCHINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

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<b>7</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Other creditors	2,778	16,194
		<u>          </u>	<u>          </u>
<b>8</b>	<b>Called up share capital</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	Ordinary share capital		
	Issued and fully paid		
	350 Ordinary shares of £1 each	350	350
		<u>          </u>	<u>          </u>
		350	350
		<u>          </u>	<u>          </u>

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