Company Registration No. 04820417 (England and Wales)

N C LANCASTER LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 JULY 2017

PAGES FOR FILING WITH REGISTRAR

N C LANCASTER LTD

COMPANY INFORMATION

Director	Mr N J Clokey
Company number	04820417
Registered office	Hill Farm 1 Aldcliffe Mews Aldcliffe Hall Lane Lancaster Lancashire LA1 5BT
Accountants	CLB Coopers Fleet House New Road Lancaster LA1 1EZ

N C LANCASTER LTD

ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF N C LANCASTER LTD FOR THE YEAR ENDED 29 JULY 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of N C Lancaster Ltd for the year ended 29 July 2017 which comprise, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of N C Lancaster Ltd, as a body, in accordance with the terms of our engagement letter dated 21 April 2017. Our work has been undertaken solely to prepare for your approval the financial statements of N C Lancaster Ltd and state those matters that we have agreed to state to the Board of Directors of N C Lancaster Ltd, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than N C Lancaster Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that N C Lancaster Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of N C Lancaster Ltd. You consider that N C Lancaster Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of N C Lancaster Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

CLB Coopers

CLB Coopers

26/4/18

Accountants

Fleet House
New Road
Lancaster
LA1 1EZ

N C LANCASTER LTD

BALANCE SHEET

AS AT 29 JULY 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Intangible assets			2,487		4,667
Tangible assets	5		54,099		41,873
Investments	6		206,514		206,514
			263,100		253,054
Current assets					
Stocks		129,969		105,196	
Debtors	7	351,349		301,970	
Cash at bank and in hand		647		1,733	
		481,965		408,899	
Creditors: amounts falling due within one year	8	(418,974)		(412,353)	
Net current assets/(liabilities)			62,991		(3,454)
Total assets less current liabilities			326,091		249,600
Creditors: amounts falling due after more than one year	9		(221,890)		(143,167)
Provisions for liabilities			(3,390)		(1,730)
Net assets			100,811		104,703
Capital and reserves					
Called up share capital	10		1		1
Profit and loss reserves			100,810		104,702
Total equity			100,811		104,703

N C LANCASTER LTD

BALANCE SHEET (CONTINUED)

AS AT 29 JULY 2017

The director 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 29 July 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The member has 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.

The financial statements were approved and signed by the director and authorised for issue on 26 April 2018

N. Clokey

Mr N J Clokey
Director

Company Registration No. 04820417

1 Accounting policies

Company information

N C Lancaster Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Hill Farm, 1 Aldcliffe Mews, Aldcliffe Hall Lane, Lancaster, Lancashire, LA1 5BT. The principal place of business is Unit 20 Minerva Road, Lune Industrial Estate, Lancaster, Lancashire, LA1 5QP.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 29 July 2017 are the first financial statements of N C Lancaster Ltd 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 August 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1 Accounting policies **(Continued)**

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

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:

Land and buildings Leasehold	36% straight line
Plant and machinery	20% straight line
Fixtures, fittings & equipment	10% 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.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

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 Accounting policies **(Continued)**

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 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.

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.

1.8 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.

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 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.12 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.

1.13 Retirement benefits

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

1.14 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.

1.15 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets. financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.16 Consolidation

The company is exempt from the requirement to prepare consolidated financial statements by virtue of section 402 of the Companies Act 2006 as the group is a small group. These financial statements present information about the company as an individual undertaking.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 13 (2016 - 10).

3 Director's remuneration

	2017	2016
	£	£
Remuneration paid to directors	9,235	9,000

During the year the year dividends totalling £71,000 (2016: £66,000) were paid in respect of shares held by the company's directors.

4 Intangible fixed assets

	Goodwill
	£
Cost	
At 30 July 2016	6,000
Additions	3
At 29 July 2017	6,003
Amortisation and impairment	
At 30 July 2016	1,333
Amortisation charged for the year	2,183
At 29 July 2017	3,516
Carrying amount	
At 29 July 2017	2,487
At 29 July 2016	4,667

5 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 30 July 2016	42,413	15,035	8,433	65,881
Additions	-	30,547	1,220	31,767
At 29 July 2017	42,413	45,582	9,653	97,648
Depreciation and impairment				
At 30 July 2016	6,450	11,409	6,149	24,008
Depreciation charged in the year	15,423	2,815	1,303	19,541
At 29 July 2017	21,873	14,224	7,452	43,549
Carrying amount				
At 29 July 2017	20,540	31,358	2,201	54,099
At 29 July 2016	35,963	3,626	2,284	41,873

6 Fixed asset investments

	2017	2016
	£	£
Shares in group undertakings	206,514	206,514

7 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	345,701	297,860
Other debtors	2,175	3,150
Prepayments and accrued income	3,473	960
	351,349	301,970

8 Creditors: amounts falling due within one year

		2017	2016
	Notes	£	£
Bank loans and overdrafts		31,319	45,959
Trade creditors		125,092	29,181
Amounts due to group undertakings		593	30,000
Corporation tax		9,757	35,128
Other taxation and social security		45,253	19,268
Other creditors		199,305	247,065
Accruals and deferred income		7,655	5,752
		418,974	412,353

Bank loans and overdrafts totalling £31,319 (2016: £17,400) are secured by fixed and floating charges over all the assets and undertaking of the company.

Other creditors includes £147,057 (2016: £191,029) secured by fixed and floating charges over all the assets and undertaking of the company.

9 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Bank loans and overdrafts		90,640	9,417
Other borrowings		131,250	133,750
		221,890	143,167

Bank loans and overdrafts totalling £90,640 (2016: £9,417) are secured by fixed and floating charges over all the assets and undertaking of the company.

10 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
1 Ordinary share of £1 each	1	1
	1	1

11 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:

	2017 £	2016 £
	10,800	21,600

12 Related party transactions

Transactions with related parties

The following amounts were outstanding at the reporting end date:

Amounts owed to related parties	2017 £	2016 £
Key management personnel	48,861	53,534