

Adam Frost Design Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2016

Adam Frost Design Limited

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Adam Frost Design Limited

Company Information

Directors A M Frost
 S Frost

Company secretary S Frost

Registered office 1 - 4 London Road
 Spalding
 Lincolnshire
 PE11 2TA

Bankers Natwest Bank Plc
 52 High Street
 Stamford
 Lincolnshire
 PE9 2YH

Accountants Bulley Davey Limited
 Chartered Certified Accountants
 1 - 4 London Road
 Spalding
 Lincolnshire
 PE11 2TA

Adam Frost Design Limited

(Registration number: 05619089)

Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	<u>5</u>	8,814	10,104
Current assets			
Debtors	<u>6</u>	76,654	90,772
Cash at bank and in hand		123	5,303
		<u>76,777</u>	<u>96,075</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(59,384)</u>	<u>(83,681)</u>
Net current assets		<u>17,393</u>	<u>12,394</u>
Total assets less current liabilities		26,207	22,498
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(11,250)</u>	<u>(15,750)</u>
Provisions for liabilities		<u>(1,700)</u>	<u>(2,021)</u>
Net assets		<u>13,257</u>	<u>4,727</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>13,157</u>	<u>4,627</u>
Total equity		<u>13,257</u>	<u>4,727</u>

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their 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.

Approved and authorised by the Board on 21 December 2017 and signed on its behalf by:

A M Frost

Director

S Frost

Director

The notes on pages 3 to 8 form an integral part of these financial statements.

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Adam Frost Design Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

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

The address of its registered office is:

1 - 4 London Road

Spalding

Lincolnshire

PE11 2TA

These financial statements were authorised for issue by the Board on 21 December 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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.

Going concern

The financial statements have been prepared on a going concern basis.

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:

Asset class	Depreciation method and rate
Leasehold improvements	10% straight line
Plant and machinery	25% reducing balance basis
Office equipment	25% reducing balance basis

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and

accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

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Notes to the Financial Statements for the Year Ended 31 December 2016

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:

Asset class	Amortisation method and rate
Goodwill	10% 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.

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.

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Notes to the Financial Statements for the Year Ended 31 December 2016

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.

Financial instruments

Classification

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

Recognition and measurement

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2015 - 3).

Adam Frost Design Limited

Notes to the Financial Statements for the Year Ended 31 December 2016

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2016	8,000	8,000
At 31 December 2016	8,000	8,000
Amortisation		
At 1 January 2016	8,000	8,000
At 31 December 2016	8,000	8,000
Carrying amount		
At 31 December 2016	-	-

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 January 2016	-	17,621	8,928	26,549
Additions	315	1,228	-	1,543
At 31 December 2016	315	18,849	8,928	28,092
Depreciation				
At 1 January 2016	-	11,787	4,658	16,445
Charge for the year	-	1,765	1,068	2,833
At 31 December 2016	-	13,552	5,726	19,278
Carrying amount				
At 31 December 2016	315	5,297	3,202	8,814
At 31 December 2015	-	5,834	4,270	10,104

Included within the net book value of land and buildings above is £315 (2015 - £Nil) in respect of short leasehold land and buildings.

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Notes to the Financial Statements for the Year Ended 31 December 2016

6 Debtors

	2016 £	2015 £
Trade debtors	21,694	22,998
Other debtors	54,960	67,774
	<u>76,654</u>	<u>90,772</u>
Total current trade and other debtors	<u>76,654</u>	<u>90,772</u>

7 Creditors

	Note	2016 £	2015 £
Due within one year			
Loans and borrowings	<u>8</u>	11,389	4,500
Trade creditors		5,713	16,005
Social security and other taxes		13,290	15,121
Other creditors		28,992	48,055
		<u>59,384</u>	<u>83,681</u>
Due after one year			
Loans and borrowings	<u>8</u>	<u>11,250</u>	<u>15,750</u>

8 Loans and borrowings

	2016 £	2015 £
Current loans and borrowings		
Bank borrowings	4,500	4,500
Bank overdrafts	6,889	-
	<u>11,389</u>	<u>4,500</u>

	2016 £	2015 £
Non-current loans and borrowings		
Bank borrowings	<u>11,250</u>	<u>15,750</u>

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Notes to the Financial Statements for the Year Ended 31 December 2016

9 Financial instruments

Categorisation of financial instruments

	2016 £	2015 £
Financial assets that are debt instruments measured at amortised cost	100,840	95,114
	<u>100,840</u>	<u>95,114</u>
Financial liabilities measured at amortised cost	(51,108)	(77,281)
Loan commitments measured at cost less impairment	(22,639)	(20,250)
	<u>(73,747)</u>	<u>(97,531)</u>

10 Transition to FRS 102

This is the first year that accounts have been prepared in accordance with FRS 102 Section 1A. The date of transition was 1 January 2015. There were no adjustments required on transition.

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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.