

LOVELL & WILKIE LTD

UNAUDITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED 31 MARCH 2018

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	34,158	3,049
		<u>34,158</u>	<u>3,049</u>
Current assets			
Debtors: amounts falling due within one year	6	53,490	22,874
Cash at bank and in hand		70,865	75,885
		<u>124,355</u>	<u>98,759</u>
Creditors: amounts falling due within one year	7	(64,544)	(87,113)
Net current assets		<u>59,811</u>	<u>11,646</u>
Total assets less current liabilities		<u>93,969</u>	<u>14,695</u>
Provisions for liabilities			
Deferred tax		(1,018)	(518)
		<u>(1,018)</u>	<u>(518)</u>
Net assets		<u>92,951</u>	<u>14,177</u>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account		92,851	14,077
		<u>92,951</u>	<u>14,177</u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2018

The director considers 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 period in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his 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 B P Lovell
Director

Date: 21 December 2018

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

1. GENERAL INFORMATION

Lovell & Wilkie Ltd is a private company limited by shares incorporated in England and Wales, registered number 09867683. The registered office is 2nd Floor Stratus House, Emperor Way, Exeter, Devon, EX1 3QS.

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.

The following principal accounting policies have been applied:

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:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 INTEREST INCOME

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.4 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.

2.5 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

2. ACCOUNTING POLICIES (continued)

2.5 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	20%	length of lease
Plant and machinery	-	20%	
Office equipment	-	20%	
Computer equipment	-	20%	

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.

2.6 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.

2.7 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.

2.8 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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

2. ACCOUNTING POLICIES (continued)

2.10 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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.

3. EMPLOYEES

The average monthly number of employees, including directors, during the period was 1 (2017: 1).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

4. TAXATION

	31 March 2018 £	Period ended 31 March 2017 £
CORPORATION TAX		
Current tax on profits for the year	18,037	32,376
	<u>18,037</u>	<u>32,376</u>
TOTAL CURRENT TAX	<u>18,037</u>	<u>32,376</u>
DEFERRED TAX		
Origination and reversal of timing differences	500	518
	<u>500</u>	<u>518</u>
TOTAL DEFERRED TAX	<u>500</u>	<u>518</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>18,537</u>	<u>32,894</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

5. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Office equipment £	Computer equipment £	Total £
COST OR VALUATION				
At 1 April 2017	-	163	3,649	3,812
Additions	31,442	-	537	31,979
At 31 March 2018	31,442	163	4,186	35,791
DEPRECIATION				
At 1 April 2017	-	33	730	763
Charge for the period on owned assets	-	33	837	870
At 31 March 2018	-	66	1,567	1,633
NET BOOK VALUE				
At 31 March 2018	31,442	97	2,619	34,158

6. DEBTORS

	2018 £	2017 £
Trade debtors	17,512	22,454
Other debtors	34,748	-
Prepayments and accrued income	1,230	420
	53,490	22,874

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	34,251	63
Corporation tax	18,037	32,376
Other taxation and social security	2,645	8,177
Other creditors	1,511	46,497
Accruals and deferred income	8,100	-
	<u>64,544</u>	<u>87,113</u>

8. SHARE CAPITAL

	2018 £	2017 £
ALLOTTED, CALLED UP AND FULLY PAID		
100 (2017: 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

9. TRANSACTIONS WITH DIRECTORS

During the year the director maintained a current account with the company. Advances of £90,213 and repayments of £10,446 were made on this loan. At the year end the director owed the company £34,748 (2017: £45,019 owed by the company to the director). Interest has been charged on the loan at 2.5% on overdrawn balances and there are no fixed repayment terms.

During the year the company incurred £31,442 of costs for converting part of the director's home into an office.

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.