

NIGM Commercials Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 October 2018

Thomas Oliver and Associates Limited
1 Moygashel Mills Park
Dungannon
Co Tyrone
BT71 7DH

NIGM Commercials Limited

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NIGM Commercials Limited

Company Information

Directors	Mr Gary Montgomery Mrs Heather Montgomery
Company secretary	Mrs Heather Montgomery
Registered office	NI GM Commercials Ltd 222 Ballygawley Road Dungannon BT70 1TF
Accountants	Thomas Oliver and Associates Limited 1 Moygashel Mills Park Dungannon Co Tyrone BT71 7DH

NIGM Commercials Limited
(Registration number: NI050097)
Balance Sheet as at 31 October 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	<u>4</u>	57,860	63,120
Tangible assets	<u>5</u>	402,134	356,148
		<u>459,994</u>	<u>419,268</u>
Current assets			
Stocks	<u>6</u>	50,544	19,896
Debtors	<u>7</u>	372,233	391,984
Cash at bank and in hand		320	5,147
		<u>423,097</u>	<u>417,027</u>
Creditors: Amounts falling due within one year	<u>8</u>	(317,060)	(301,585)
Net current assets		<u>106,037</u>	<u>115,442</u>
Total assets less current liabilities		566,031	534,710
Creditors: Amounts falling due after more than one year	<u>8</u>	(95,688)	(84,714)
Provisions for liabilities		<u>(73,372)</u>	<u>(68,292)</u>
Net assets		<u>396,971</u>	<u>381,704</u>
Capital and reserves			
Called up share capital	<u>9</u>	10,000	10,000
Profit and loss account		<u>386,971</u>	<u>371,704</u>
Total equity		<u>396,971</u>	<u>381,704</u>

For the financial year ending 31 October 2018 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.

The notes on pages 4 to 10 form an integral part of these financial statements.
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NIGM Commercials Limited
(Registration number: NI050097)
Balance Sheet as at 31 October 2018

Approved and authorised by the Board on 29 July 2019 and signed on its behalf by:

.....

Mr Gary Montgomery
Director

The notes on pages 4 to 10 form an integral part of these financial statements.

NIGM Commercials Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

1 General information

The company is a private company limited by share capital, incorporated in Northern Ireland.

The address of its registered office is:

NI GM Commercials Ltd
222 Ballygawley Road
Dungannon
BT70 1TF

These financial statements were authorised for issue by the Board on 29 July 2019.

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.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

NIGM Commercials Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

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
Land & Buildings	4% Straight Line
Plant & Machinery	15% Reducing Balance / 20% Straight Line
Fixtures, Fittings & Equipment	15% Reducing Balance
Computer Equipment	25% Straight Line
Vehicles	20 / 25% Straight Line

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.

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	4% 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.

NIGM Commercials Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

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.

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Notes to the Financial Statements for the Year Ended 31 October 2018

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 16 (2017 - 14).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 November 2017	131,500	131,500
At 31 October 2018	131,500	131,500
Amortisation		
At 1 November 2017	68,380	68,380
Amortisation charge	5,260	5,260
At 31 October 2018	73,640	73,640
Carrying amount		
At 31 October 2018	57,860	57,860
At 31 October 2017	63,120	63,120

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2017 - £Nil).

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Notes to the Financial Statements for the Year Ended 31 October 2018

5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation					
At 1 November 2017	7,928	32,685	301,386	303,918	645,917
Additions	3,295	7,284	79,445	36,783	126,807
At 31 October 2018	11,223	39,969	380,831	340,701	772,724
Depreciation					
At 1 November 2017	1,078	18,826	124,297	145,568	289,769
Charge for the year	379	2,676	52,516	25,250	80,821
At 31 October 2018	1,457	21,502	176,813	170,818	370,590
Carrying amount					
At 31 October 2018	9,766	18,467	204,018	169,883	402,134
At 31 October 2017	6,850	13,859	177,089	158,350	356,148

Included within the net book value of land and buildings above is £9,766 (2017 - £6,850) in respect of freehold land and buildings.

6 Stocks

	2018 £	2017 £
Finished goods and goods for resale	50,544	19,896

7 Debtors

	2018 £	2017 £
Trade debtors	281,355	324,407
Prepayments	19,611	15,484
Other debtors	71,267	52,093
	372,233	391,984

NIGM Commercials Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

8 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	<u>10</u>	107,861	130,937
Trade creditors		135,021	85,128
Taxation and social security		57,224	61,323
Accruals and deferred income		2,000	2,000
Other creditors		14,954	22,197
		<u>317,060</u>	<u>301,585</u>

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>95,688</u>	<u>84,714</u>

9 Share capital

Allotted, called up and fully paid shares

	2018 No.	£	2017 No.	£
Ordinary Shares of £1 each	10,000	10,000	10,000	10,000

10 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Finance lease liabilities	<u>95,688</u>	<u>84,714</u>

NIGM Commercials Limited

Notes to the Financial Statements for the Year Ended 31 October 2018

	2018 £	2017 £
Current loans and borrowings		
Bank overdrafts	55,350	81,851
Finance lease liabilities	52,511	49,086
	<u>107,861</u>	<u>130,937</u>

11 Dividends

	2018 £	2017 £
Final dividend of £5.00 (2017 - £6.00) per ordinary share	50,000	60,000
Interim dividend of £3.22 (2017 - £2.16) per ordinary share	32,200	21,600
	<u>82,200</u>	<u>81,600</u>

12 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2018 £	2017 £
Remuneration	<u>12,480</u>	<u>12,480</u>

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.