

Company registration number: NI627186

Sinnamons Stores Limited

Unaudited filleted abridged financial statements

31 May 2021

Sinnamons Stores Limited

Contents

Directors and other information

Accountant's report

Abridged statement of financial position

Notes to the financial statements

Sinnamons Stores Limited

Directors and other information

Director	Mr David Sinnamon
Company number	NI627186
Registered office	21-25 Main Street Donaghmore Dungannon Co Tyrone BT70 3ES
Accountant	GDP Accountants Ltd 122A Moore Street Aughnacloy Co Tyrone BT69 6AA

Bankers

Bank of Ireland
24 Scotch Street
Dungannon
Co Tyrone
BT70 1AR

Sinnamons Stores Limited

Report to the director on the preparation of the

unaudited statutory financial statements of Sinnamons Stores Limited

Year ended 31 May 2021

In order to assist you to fulfil your duties under the Companies Act 2006, I have prepared for your approval the financial statements of Sinnamons Stores Limited for the year ended 31 May 2021 as set out on pages 3 to 9 from the company's accounting records and from information and explanations you have given me.

As a practising member of the Association of Chartered Certified Accountants , I am subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html>.

This report is made solely to the director of Sinnamons Stores Limited, as a body, in accordance with the terms of my engagement letter dated 17 February 2021. My work has been undertaken solely to prepare for your approval the financial statements of Sinnamons Stores Limited and state those matters that we have agreed to state to them, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at http://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than Sinnamons Stores Limited and its director as a body for my work or for this report.

It is your duty to ensure that Sinnamons Stores Limited 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 Sinnamons Stores Limited. You consider that Sinnamons Stores Limited is exempt from the statutory audit requirement for the year.

I have not been instructed to carry out an audit or a review of the financial statements of Sinnamons Stores Limited. For this reason, I have not verified the accuracy or completeness of the accounting records or information and explanations you have given to me and I do not, therefore, express any opinion on the statutory financial statements.

GDP Accountants Ltd

Chartered Certified Accountants

122A Moore Street

Aughnacloy

Co Tyrone

BT69 6AA

29 July 2021

Sinnamons Stores Limited

Abridged statement of financial position

31 May 2021

	Note	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	5	97,500		117,000	
Tangible assets	6	519,267		546,726	
		<u> </u>		<u> </u>	
			616,767		663,726
Current assets					
Stocks		38,394		39,175	
Debtors		129,598		3,183	
Cash at bank and in hand		64,745		86,179	
		<u> </u>		<u> </u>	
		232,737		128,537	
Creditors: amounts falling due within one year	7	(226,107)		(216,596)	
		<u> </u>		<u> </u>	
Net current assets/(liabilities)			6,630		(88,059)
			<u> </u>		<u> </u>
Total assets less current liabilities			623,397		575,667
Creditors: amounts falling due after more than one year			(285,700)		(340,246)
Provisions for liabilities			(19,506)		(20,601)
			<u> </u>		<u> </u>
Net assets			318,191		214,820
			<u> </u>		<u> </u>
Capital and reserves					
Called up share capital			100		100
Profit and loss account			318,091		214,720
			<u> </u>		<u> </u>
Shareholder funds			318,191		214,820
			<u> </u>		<u> </u>

For the year ending 31 May 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

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

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

All of the members have consented to the preparation of the abridged statement of financial position for the current year ending 31 May 2021 in accordance with Section 444(2A) of the Companies Act 2006.

These financial statements were approved by the board of directors and authorised for issue on 29 July 2021 , and are signed on behalf of the board by:

Mr David Sinnamon

Director

Company registration number: NI627186

Sinnamons Stores Limited

Notes to the financial statements

Year ended 31 May 2021

1. General information

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is 21-25 Main Street, Donaghmore, Dungannon, Co Tyrone, BT70 3ES.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Triennial review 2017 amendments to the standard have been early adopted.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the

company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10 % straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	4 % straight line
Fittings fixtures and equipment	-	10 % straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 13 (2020: 13).

5. Intangible assets

	£
Cost	
At 1 June 2020 and 31 May 2021	195,000
Amortisation	
At 1 June 2020	78,000
Charge for the year	19,500
At 31 May 2021	97,500
Carrying amount	
At 31 May 2021	97,500
At 31 May 2020	117,000

6. Tangible assets

	£
Cost	
At 1 June 2020	686,324
Additions	12,036
Disposals	(1,165)
At 31 May 2021	697,195
Depreciation	
At 1 June 2020	139,598
Charge for the year	38,507
Disposals	(177)
At 31 May 2021	177,928
Carrying amount	
At 31 May 2021	519,267
At 31 May 2020	546,726

7. Creditors: amounts falling due within one year

Bank loans and overdrafts of £265,684 (2020: £300,680) are secured by the following: Debenture over the assets and undertakings of Sinnamons Stores Limited ; First legal mortgage/charge over 74 Oriel Road, Antrim; A personal guarantee from David Sinnamon in the sum of £550,000 supported by a first legal mortgage/charge over 13 Ivy Terrace, Donaghmore; and A guarantee from The Brewery Off Sales Limited in the sum of £150,000 supported by a first legal mortgage/charge over 20 Pomeroy Road, Dungannon. Loans from Musgrave NI of £85,550 (2020: £118,050) are secured by the following: An all monies debenture from Sinnamons Stores Limited ; A personal guarantee from David Sinnamon in the principal sum of £350,000; and A mortgage/charge over the store at 74 Oriel Road, Antrim.

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.