

Company Registration No. 00545693 (England and Wales)

**WRATES SCHOLASTIC PHOTOGRAPHS
LIMITED**

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016**

PAGES FOR FILING WITH REGISTRAR



WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

COMPANY INFORMATION

Directors	G Bagley M Wrate
Secretary	M Warner
Company number	00545693
Registered office	Plot 41 Brunel Drive Newark Nottinghamshire NG24 2EG
Accountants	RSM UK Tax and Accounting Limited Chartered Accountants 7th Floor City Gate East Tollhouse Hill Nottingham NG1 5FS
Business address	Prince George Street Skegness Lincolnshire PE25 2BD

WRATES SCHOLASTIC PHOTOGRAPHS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Goodwill	5		84,896		109,597
Tangible assets	6		162,791		225,505
			<u>247,687</u>		<u>335,102</u>
Current assets					
Stocks		8,335		6,892	
Debtors	7	93,283		98,429	
Cash at bank and in hand		687,772		577,182	
		<u>789,390</u>		<u>682,503</u>	
Creditors: amounts falling due within one year	8	(589,574)		(495,977)	
Net current assets			<u>199,816</u>		<u>186,526</u>
Total assets less current liabilities			<u>447,503</u>		<u>521,628</u>
Creditors: amounts falling due after more than one year	9		(61,386)		(71,741)
Provisions for liabilities			<u>(7,737)</u>		<u>(11,894)</u>
Net assets			<u><u>378,380</u></u>		<u><u>437,993</u></u>
Capital and reserves					
Called up share capital	11		1,000		1,000
Profit and loss reserves			377,380		436,993
Total equity			<u><u>378,380</u></u>		<u><u>437,993</u></u>

WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2016

The directors of the company have elected not to include a copy of the income statement within the financial statements.


For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge 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.

The financial statements were approved by the board of directors and authorised for issue on 11/9/17 and are signed on its behalf by:

.....
G Bagley
Director



WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Wrates Scholastic Photographs Limited is a private company limited by shares incorporated in England and Wales. The registered office is Plot 41, Brunel Drive, Newark, Nottinghamshire, NG24 2EG.

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. The principal accounting policies adopted are set out below.

Transition to FRS102

These financial statements are the first financial statements of Wrates Scholastic Photographs Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Wrates Scholastic Photographs Limited for the year ended 31 December 2015 were prepared in accordance with "Financial Reporting Standard for Smaller Entities (effective January 2015) (FRSSE)".

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from FRSSE. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Going concern

The accounts have been prepared on a going concern basis. Having carried out a detailed review of the company's resources and the challenges presented by the current economic climate, the directors are satisfied that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

Turnover

The turnover shown in the profit and loss account represents the value of all goods sold during the period, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer.

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.

WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Intangible fixed assets - goodwill

Goodwill representing the excess of the purchase price compared with the fair value of net assets acquired is capitalised and written off evenly over 5 years as in the opinion of the directors this represents the period over which the goodwill is effective. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

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:

Freehold property	20 years
Photographic equipment	15%/20% reducing balance
Plant and equipment	15%/20% reducing balance
Motor vehicles	25% reducing balance

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.

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.

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.

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.

WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments 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.

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 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

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.

WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 22 (2015 - 20).

3 Directors' remuneration

	2016 £	2015 £
Remuneration paid to directors	10,776	24,352

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2015 - 1).

4 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	7,300	15,528
Adjustments in respect of prior periods	(295)	-
Total current tax	7,005	15,528
Deferred tax		
Origination and reversal of timing differences	(4,157)	2,265
Total tax charge	2,848	17,793

WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

5 Intangible fixed assets

Goodwill £

Cost

At 1 January 2016

136,997

Additions

3,374

At 31 December 2016

140,371

Amortisation and impairment

At 1 January 2016

27,400

Amortisation charged for the year

28,075

At 31 December 2016

55,475

Carrying amount

At 31 December 2016

84,896

At 31 December 2015

109,597

6 Tangible fixed assets

	Freehold property £	Photographic equipment £	Plant and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2016	89,975	125,208	90,663	203,945	509,791
Additions	-	14,349	978	57,373	72,700
Disposals	(89,975)	-	-	(68,409)	(158,384)
At 31 December 2016	-	139,557	91,641	192,909	424,107
Depreciation and impairment					
At 1 January 2016	17,996	82,736	65,678	117,876	284,286
Depreciation charged in the year	-	9,272	4,105	31,126	44,503
Eliminated in respect of disposals	(17,996)	-	-	(49,477)	(67,473)
At 31 December 2016	-	92,008	69,783	99,525	261,316
Carrying amount					
At 31 December 2016	-	47,549	21,858	93,384	162,791
At 31 December 2015	71,979	42,472	24,985	86,069	225,505

WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

7 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	8,443	14,747
Amounts due from group undertakings	65,249	65,835
Other debtors	19,591	17,847
	<u>93,283</u>	<u>98,429</u>

8 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	-	18,383
Obligations under finance leases	26,145	16,671
Trade creditors	349,591	259,691
Amounts due to group undertakings	-	5,000
Corporation tax	7,300	15,528
Other taxation and social security	191,871	169,208
Other creditors	8,677	6,696
Accruals and deferred income	5,990	4,800
	<u>589,574</u>	<u>495,977</u>

Included within creditors due within one year are bank loans of £nil (2015: £18,383) and obligations under hire purchase contracts of £26,145 (2015: £16,671) which are secured by fixed charges on the assets concerned.

9 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	-	29,657
Obligations under finance leases	61,386	42,084
	<u>61,386</u>	<u>71,741</u>

Included within creditors due after one year are bank loans of £nil (2015: £29,657) and obligations under hire purchase contracts of £61,386 (2015: £42,084) which are secured by fixed charges on the assets concerned.

WRATES SCHOLASTIC PHOTOGRAPHS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	7,737	11,894
	<u>7,737</u>	<u>11,894</u>

11 Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid 1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

12 Related party transactions

Transactions with related parties

During the year the following remuneration was paid to M Wrate's wife and children:

	2016 £	2015 £
Mrs A Wrate	24,531	10,674
Mr S Wrate	31,470	18,870
Miss E Wrate	5,000	10,000
	<u>61,001</u>	<u>39,544</u>

The company is related to Wrates Scholastic Photographs Small Self Administered Scheme by virtue of M Wrate, being trustee and member of the scheme. During the year the company paid rent of £5,000 (2015: £4,188) to the scheme.

13 Directors' transactions

As at the year end and included in other creditors is an amount of £6,000 (2015: £5,000) due to M Wrate in respect of his directors loan account. No interest was charged in respect of this balance.