

ANDERSON & SHEPPARD LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 JANUARY 2019

Sayers Butterworth LLP

ANDERSON & SHEPPARD LIMITED

Company Information

Directors	J Rowland J Hitchcock A Rowland C Larham J Malone C Heywood D Hall M Jones
Company secretary	C Larham
Registered number	01471387
Registered office	32 Old Burlington Street London W1S 3AT
Independent auditor	Sayers Butterworth LLP Chartered Accountants & Statutory Auditor 3rd Floor 12 Gough Square London EC4A 3DW

ANDERSON & SHEPPARD LIMITED

Contents

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 10

ANDERSON & SHEPPARD LIMITED
Registered number: 01471387

Balance sheet
As at 31 January 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	316,802	370,189
		<u>316,802</u>	<u>370,189</u>
Current assets			
Stocks	5	894,303	904,919
Debtors: amounts falling due within one year	6	2,030,739	1,829,345
Cash at bank and in hand	7	302,902	602,535
		<u>3,227,944</u>	<u>3,336,799</u>
Creditors: amounts falling due within one year	8	(903,544)	(997,051)
Net current assets		<u>2,324,400</u>	<u>2,339,748</u>
Total assets less current liabilities		<u>2,641,202</u>	<u>2,709,937</u>
Creditors: amounts falling due after more than one year	9	(850,000)	(850,000)
Provisions for liabilities			
Deferred tax	10	(7,879)	(8,024)
		<u>(7,879)</u>	<u>(8,024)</u>
Net assets		<u>1,783,323</u>	<u>1,851,913</u>
Capital and reserves			
Called up share capital	11	200	200
Profit and loss account		1,783,123	1,851,713
		<u>1,783,323</u>	<u>1,851,913</u>

The 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 the provisions of FRS 102 Section 1A - small entities.

The Company has opted not to file the profit and loss accounts in accordance with provisions applicable to companies subject to the small companies' regime.

ANDERSON & SHEPPARD LIMITED
Registered number: 01471387

Balance sheet (continued)
As at 31 January 2019

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 July 2019.

C Heywood
Director

The notes on pages 3 to 10 form part of these financial statements.

**Notes to the financial statements
For the Year Ended 31 January 2019**

1. General information

Anderson & Sheppard Limited is a private company limited by share capital, incorporated in England and Wales, registration number 01471387. The address of the registered office is 32 Old Burlington Street, London, W15 3AT.

The principal activity for the company during the year was that of bespoke tailoring and selling ready to wear trousers, knitwear and accessories.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover 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 turnover 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.

Notes to the financial statements
For the Year Ended 31 January 2019

2. Accounting policies (continued)

2.3 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.

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	- over the life of the lease
Plant & machinery	- 33% straight line per annum
Motor vehicles	- 33% straight line per annum
Website development	- 33% straight line per annum

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 Profit and loss account.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.5 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.

2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instruments 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 and loans to related parties.

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

**Notes to the financial statements
For the Year Ended 31 January 2019**

2. Accounting policies (continued)

2.7 Financial instruments (continued)

impairment loss is recognised in the Profit and loss account.

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

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 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account.

2.10 Finance costs

Finance costs are charged to the profit and loss account 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.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Notes to the financial statements
For the Year Ended 31 January 2019

2. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in the profit and loss account using the effective interest method

2.14 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 Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet 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 Balance sheet.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

ANDERSON & SHEPPARD LIMITED

Notes to the financial statements
For the Year Ended 31 January 2019

3. Employees

The average monthly number of employees, including directors, during the year was 30 (2018 - 31).

4. Tangible fixed assets

	Leasehold improvements £	Plant & machinery £	Motor vehicles £	Website development £	Total £
Cost or valuation					
At 1 February 2018	1,324,498	60,822	34,774	106,126	1,526,220
Additions	776	3,282	-	61,955	66,013
At 31 January 2019	1,325,274	64,104	34,774	168,081	1,592,233
Depreciation					
At 1 February 2018	995,182	59,369	34,774	66,706	1,156,031
Charge for the year on owned assets	83,730	1,188	-	34,482	119,400
At 31 January 2019	1,078,912	60,557	34,774	101,188	1,275,431
Net book value					
At 31 January 2019	246,362	3,547	-	66,893	316,802
At 31 January 2018	329,316	1,453	-	39,420	370,189

ANDERSON & SHEPPARD LIMITED

**Notes to the financial statements
For the Year Ended 31 January 2019**

5. Stocks

	2019 £	2018 £
Raw materials and consumables	160,389	157,329
Finished goods and goods for resale	733,914	747,590
	<u>894,303</u>	<u>904,919</u>

6. Debtors

	2019 £	2018 £
Trade debtors	649,507	515,163
Other debtors	1,287,917	1,225,159
Prepayments and accrued income	93,315	89,023
	<u>2,030,739</u>	<u>1,829,345</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	302,902	602,535
	<u>302,902</u>	<u>602,535</u>

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	159,926	159,205
Other taxation and social security	105,895	90,855
Other creditors	-	9,187
Accruals and deferred income	637,723	737,804
	<u>903,544</u>	<u>997,051</u>

ANDERSON & SHEPPARD LIMITED

Notes to the financial statements
For the Year Ended 31 January 2019

9. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Amounts owed to group undertakings	850,000	850,000
	<u>850,000</u>	<u>850,000</u>

10. Deferred taxation

	2019 £
At beginning of year	(8,024)
Utilised in year	145
At end of year	<u><u>(7,879)</u></u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(7,879)	(8,024)
	<u><u>(7,879)</u></u>	<u><u>(8,024)</u></u>

ANDERSON & SHEPPARD LIMITED

**Notes to the financial statements
For the Year Ended 31 January 2019**

11. Share capital

	2019	<i>2018</i>
	£	<i>£</i>
Allotted, called up and fully paid		
200 Ordinary shares of £1 - each	<u>200</u>	<u><i>200</i></u>

12. Commitments under operating leases

At 31 January 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019	<i>2018</i>
	£	<i>£</i>
Not later than 1 year	334,310	<i>328,810</i>
Later than 1 year and not later than 5 years	954,455	<i>1,102,543</i>
Later than 5 years	1,275,000	<i>1,445,000</i>
	<u>2,563,765</u>	<u><i>2,876,353</i></u>

13. Related party transactions

Amounts owed to group undertakings (see note 9) represent a loan from Anderson & Sheppard Holdings Limited, the ultimate controlling party. The loan is subject to interest at 2.5% per annum (of which £21,250 (2018: £21,250) was paid in the year) and is repayable by 30 September 2020.

14. Ultimate parent company

The ultimate parent company is considered to be Anderson & Sheppard Holdings Limited, a company incorporated in the Isle of Man.

15. Auditor's information

The auditor's report on the financial statements for the year ended 31 January 2019 was unqualified.

The audit report was signed on 12 July 2019 by Andrew Burch (Senior statutory auditor) on behalf of Sayers Butterworth LLP.

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.