

Company Registration No. 01558160 (England and Wales)

DURHAM ASSOCIATES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019
PAGES FOR FILING WITH REGISTRAR

DURHAM ASSOCIATES LIMITED

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DURHAM ASSOCIATES LIMITED

BALANCE SHEET

AS AT 30 APRIL 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	4		390		1,400
Current assets					
Stocks		500		500	
Debtors	5	63,674		106,100	
Cash at bank and in hand		30,986		25,586	
		<u>95,160</u>		<u>132,186</u>	
Creditors: amounts falling due within one year	6	<u>(98,740)</u>		<u>(146,857)</u>	
Net current liabilities			(3,580)		(14,671)
Total assets less current liabilities			<u>(3,190)</u>		<u>(13,271)</u>
Capital and reserves					
Called up share capital	7		2		2
Profit and loss reserves			(3,192)		(13,273)
Total equity			<u>(3,190)</u>		<u>(13,271)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 April 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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 6 January 2020 and are signed on its behalf by:

Mr M Sands
Director

Company Registration No. 01558160

DURHAM ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

Company information

Durham Associates Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Old Brewery, Castle Eden, County Durham, TS27 4SU.

1.1 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.

1.2 Going concern

At the balance sheet date the company had net current liabilities of £3,580 (2018 - net current liabilities £14,671). The company is heavily reliant on the financial support of its parent and other group companies, owing them £63,494 (2018 - £118,377) at the balance sheet date. Durham Associates Group Limited and fellow group companies have committed to provide ongoing support to the company for the foreseeable future and will not seek payment of the outstanding liabilities until such a time that it is considered financially viable.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

DURHAM ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Patents	over useful life of 10 years
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1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Computer equipment	3 years straight line
Fixtures, fittings and equipment	2 to 4 years straight line

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.

1.6 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.

1.7 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.

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.

1.8 Cash at bank and in hand

Cash and cash equivalents are basic financial assets 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.

1.9 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 in the company's balance sheet 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.

DURHAM ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

DURHAM ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 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.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2018 - 7).

3 Intangible fixed assets

	Goodwill £	Patents £	Total £
Cost			
At 1 May 2018 and 30 April 2019	10,000	7,500	17,500
Amortisation and impairment			
At 1 May 2018 and 30 April 2019	10,000	7,500	17,500
Carrying amount			
At 30 April 2019	-	-	-
At 30 April 2018	-	-	-

DURHAM ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 May 2018	9,273
Additions	403
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At 30 April 2019	9,676
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Depreciation and impairment	
At 1 May 2018	7,873
Depreciation charged in the year	1,413
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At 30 April 2019	9,286
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Carrying amount	
At 30 April 2019	390
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At 30 April 2018	1,400
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5 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	54,539	99,695
Corporation tax recoverable	2,005	2,005
Amounts owed by group undertakings and undertakings in which the company has a participating interest	3,708	1,109
Other debtors	3,422	3,291
	<hr/>	<hr/>
	63,674	106,100
	<hr/>	<hr/>

6 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	4,736	7,111
Amounts owed to group undertakings	67,201	119,486
Corporation tax	13	13
Other taxation and social security	9,059	11,454
Other creditors	17,731	8,793
	<hr/>	<hr/>
	98,740	146,857
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DURHAM ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

7 Called up share capital

	2019	2018
	£	£
Ordinary share capital Issued and fully paid 2 (2018: 2) ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

8 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Income		Expenses	
	2019	2018	2019	2018
	£	£	£	£
Related parties	11,171	30,676	56,628	59,167
	<u>11,171</u>	<u>30,676</u>	<u>56,628</u>	<u>59,167</u>

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts owed to related parties		
Related parties	67,202	119,486
	<u>67,202</u>	<u>119,486</u>

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts owed by related parties		
Related parties	3,708	1,109
	<u>3,708</u>	<u>1,109</u>

DURHAM ASSOCIATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

9 Directors' transactions

The following advances were provided to directors during the year:

Description	% Rate	Opening balance £	Interest charged £	Amounts repaid £	Closing balance £
Loan	3.00	670	8	(678)	-
Loan	3.00	40	-	(40)	-
		<u>710</u>	<u>8</u>	<u>(718)</u>	<u>-</u>

Interest is charged on outstanding balances at a rate equivalent to the HM Revenue and Customs rates of interest.

10 Parent company

The immediate and ultimate parent company is Durham Associates Group Limited and its registered office is The Old Brewery, Castle Eden, County Durham TS27 4SU.

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.