

SHERWOOD LABORATORIES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016
PAGES FOR FILING WITH REGISTRAR



SHERWOOD LABORATORIES LIMITED

COMPANY INFORMATION

Directors	G Bagley M Wrate
Secretary	M Warner
Company number	01732557
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
Bankers	Barclays Bank Plc 41 Market Place Newark Nottinghamshire NG24 1EJ

SHERWOOD LABORATORIES LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
Fixed assets					
Intangible assets	5		4,326		5,408
Tangible assets	6		105,232		132,167
Investment properties	7		-		203,870
Investments	8		-		55,280
			<u>109,558</u>		<u>396,725</u>
Current assets					
Stocks		118,449		142,784	
Debtors falling due after one year	9	47,724		-	
Debtors falling due within one year	9	355,697		397,204	
Cash at bank and in hand		564,905		239,777	
		<u>1,086,775</u>		<u>779,765</u>	
Creditors: amounts falling due within one year	10	(288,208)		(230,484)	
Net current assets			<u>798,567</u>		<u>549,281</u>
Total assets less current liabilities			<u>908,125</u>		<u>946,006</u>
Creditors: amounts falling due after more than one year	11		(4,786)		(137,778)
Provisions for liabilities			<u>(11,169)</u>		<u>(15,381)</u>
Net assets			<u>892,170</u>		<u>792,847</u>
Capital and reserves					
Called up share capital	13		7,803		7,803
Capital redemption reserve			42,202		42,202
Profit and loss reserves			842,165		742,842
Total equity			<u>892,170</u>		<u>792,847</u>

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

SHERWOOD LABORATORIES LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2016

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 on11/9/17.....
and are signed on its behalf by:

.....
G Bagley
Director



SHERWOOD LABORATORIES LIMITED

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

1 Accounting policies

Company information

Sherwood Laboratories 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 Sherwood Laboratories 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 Sherwood Laboratories 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'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in retained earnings at the transition date and are detailed in note 16.

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

Turnover represents the value of services rendered during the year whether invoiced or not at the balance sheet date and is stated net of Value Added Tax.

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.

SHERWOOD LABORATORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

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 if the fair value can be measured reliably.

Amortisation 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:

Software	20% reducing balance
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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:

Plant, machinery and equipment	25% reducing balance
Fixtures and fittings	20% reducing balance
Computer equipment	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.

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in 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.

SHERWOOD LABORATORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

Impairment of fixed assets (continued)

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.

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.

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.

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.

SHERWOOD LABORATORIES 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.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

SHERWOOD LABORATORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies (Continued)

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 24 (2015 - 22).

3 Directors' remuneration

	2016 £	2015 £
Remuneration paid to directors	8,064	21,251

4 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	31,063	25,795
Adjustments in respect of prior periods	(602)	-
Total current tax	30,461	25,795
Deferred tax		
Origination and reversal of timing differences	(3,358)	(1,359)
Changes in tax rates	(854)	-
Total deferred tax	(4,212)	(1,359)
Total tax charge	26,249	24,436

SHERWOOD LABORATORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

5 Intangible fixed assets

	Other £
Cost	
At 1 January 2016 and 31 December 2016	7,700
Amortisation and impairment	
At 1 January 2016	2,292
Amortisation charged for the year	1,082
At 31 December 2016	3,374
Carrying amount	
At 31 December 2016	4,326
At 31 December 2015	5,408

6 Tangible fixed assets

	Plant, machinery and equipment £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2016	1,447,944	68,202	112,297	70,322	1,698,765
Additions	5,589	-	803	-	6,392
At 31 December 2016	1,453,533	68,202	113,100	70,322	1,705,157
Depreciation and impairment					
At 1 January 2016	1,367,344	58,549	95,996	44,709	1,566,598
Depreciation charged in the year	21,575	1,928	3,420	6,404	33,327
At 31 December 2016	1,388,919	60,477	99,416	51,113	1,599,925
Carrying amount					
At 31 December 2016	64,614	7,725	13,684	19,209	105,232
At 31 December 2015	80,600	9,653	16,301	25,613	132,167

SHERWOOD LABORATORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

7 Investment property

	2016 £
Fair value	
At 1 January 2016	203,870
Disposals	(203,870)
	<u> </u>
At 31 December 2016	<u> </u>

8 Fixed asset investments

	2016 £	2015 £
Investments	<u> </u>	<u>55,280</u>

Movements in fixed asset investments

	Investments other than loans £
Cost or valuation	
At 1 January 2016 & 31 December 2016	<u>55,280</u>
Impairment	
At 1 January 2016	-
Disposals	<u>55,280</u>
At 31 December 2016	<u>55,280</u>
Carrying amount	
At 31 December 2016	<u> </u>
At 31 December 2015	<u>55,280</u>

SHERWOOD LABORATORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	301,507	326,967
Amounts due from group undertakings	15,000	48,405
Other debtors	39,190	21,832
	<u>355,697</u>	<u>397,204</u>
Amounts falling due after more than one year:		
Other debtors	<u>47,724</u>	<u>-</u>
Total debtors	<u>403,421</u>	<u>397,204</u>

10 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	-	8,498
Obligations under finance leases	5,150	8,227
Trade creditors	65,604	47,541
Corporation tax	31,063	25,795
Other taxation and social security	170,667	125,927
Other creditors	3,852	-
Accruals and deferred income	11,872	14,496
	<u>288,208</u>	<u>230,484</u>

Included in creditors falling due within one year are bank loans of £nil (2015: £8,498) and obligations under hire purchase contracts of £5,150 (2015: £8,227) which are secured by fixed charges on the assets concerned.

11 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	-	127,842
Obligations under finance leases	4,786	9,936
	<u>4,786</u>	<u>137,778</u>

Included in creditors falling due after one year are bank loans of £nil (2015: £127,842) and obligations under hire purchase contracts of £4,789 (2015: £9,936) which are secured by fixed charges on the assets concerned.

SHERWOOD LABORATORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

12 Provisions for liabilities

	2016	2015
	£	£
Deferred tax liabilities	11,169	15,381
	<u>11,169</u>	<u>15,381</u>

13 Called up share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
7,803 Ordinary shares of £1 each	7,803	7,803
	<u>7,803</u>	<u>7,803</u>

SHERWOOD LABORATORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

14 Related party transactions

Transactions with related parties

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

	Sale of goods		Purchase of goods	
	2016	2015	2016	2015
	£	£	£	£
Fuji Schools (Wales) Limited	3,897	5,812	-	1,603
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2016 Balance £
Amounts owed by related parties	
Fuji Schools (Wales) Limited	23,524
	<u> </u>
	2015 Balance £
Amounts owed in previous period	
Fuji Schools (Wales) Limited	29,745
	<u> </u>

During the year the following remuneration was paid to G Bagley's wife and son:

	2016 £	2015 £
Mrs T Bagley	30,992	14,173
Mr K Bagley	31,800	30,400
	<u> </u>	<u> </u>
	62,792	44,573
	<u> </u>	<u> </u>

The company is related to Sherwood Laboratories Small Self Administered Scheme by virtue of D Bagley, the father of G Bagley, being a trustee and member of the scheme. During the year the company paid rent of £29,167 (2015: £29,167) to the scheme.

15 Directors' transactions

As at the year end the balance owed to G Bagley was £3,852 (2015: owed by G Bagley £2,148) in respect of his directors loan account. No interest was charged in respect of this balance.

SHERWOOD LABORATORIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

16 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 January 2015 £	31 December 2015 £
Equity as reported under previous UK GAAP and under FRS 102	822,675	792,847

Reconciliation of profit for the financial period

	2015 £
Profit as reported under previous UK GAAP and under FRS 102	21,140

Notes to reconciliations on adoption of FRS 102

a) Intangible assets

Computer software, with a net book value of £5,408 at 1 January 2016, has been reclassified from tangible to intangible assets as required under FRS102. This has no effect on the company's net assets nor on the profit for the year, except that the previous depreciation charge is now described as amortisation.