

Company registration number 01792430 (England and Wales)

SDL GROUP LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

SDL GROUP LIMITED

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SDL GROUP LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	3		2		2
Tangible assets	4		380,605		250,033
Investments	5		1,001		1,001
			<u>381,608</u>		<u>251,036</u>
Current assets					
Stocks		2,242,510		2,327,504	
Debtors	7	893,524		491,712	
Cash at bank and in hand		285,735		151,145	
		<u>3,421,769</u>		<u>2,970,361</u>	
Creditors: amounts falling due within one year	8	<u>(1,128,821)</u>		<u>(1,098,196)</u>	
Net current assets			<u>2,292,948</u>		<u>1,872,165</u>
Total assets less current liabilities			<u>2,674,556</u>		<u>2,123,201</u>
Creditors: amounts falling due after more than one year	9		(201,248)		(218,806)
Provisions for liabilities			<u>(93,986)</u>		<u>(45,221)</u>
Net assets			<u><u>2,379,322</u></u>		<u><u>1,859,174</u></u>
Capital and reserves					
Called up share capital	10		650,000		650,000
Share premium account			700,343		700,343
Capital redemption reserve			300,000		300,000
Other reserves			26,666		26,666
Profit and loss reserves			<u>702,313</u>		<u>182,165</u>
Total equity			<u><u>2,379,322</u></u>		<u><u>1,859,174</u></u>

SDL GROUP LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

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 31 December 2021 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 12 May 2022 and are signed on its behalf by:

Mr G E Lord
Director

Company Registration No. 01792430

SDL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

SDL Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Britannia Centre, Bentley Wood Way, Network 65 Business Park, Burnley, Lancashire, BB11 5ST.

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.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

The company finances its operations by means of bank loans. The directors are not aware of any reason why the loan facilities will not be maintained at their current level. As a result the directors have continued to adopt the going concern basis in preparing the accounts.

Whilst the directors have adopted the going concern basis set out above, the impact of the worldwide Coronavirus pandemic, Covid-19, on all businesses represents an uncertainty and the true impact of this pandemic will only become apparent over time.

The directors have given due consideration to the impact and likely future impact of the pandemic on the company in arriving at the going concern basis of preparation.

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.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired.

1.5 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.

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:

Patents & licences	10% straight line
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SDL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 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 and equipment	20% on reducing balance
Motor vehicles	25% on 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.

1.7 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.

1.8 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.

1.9 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.

1.10 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.

1.11 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.

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.

SDL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

1.12 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.

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.

1.13 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 balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

SDL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	39	44

3 Intangible fixed assets

	Goodwill £	Other £	Total £
Cost			
At 1 January 2021 and 31 December 2021	210,521	68,917	279,438
Amortisation and impairment			
At 1 January 2021 and 31 December 2021	210,520	68,916	279,436
Carrying amount			
At 31 December 2021	1	1	2
At 31 December 2020	1	1	2

SDL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2021	657,644
Additions	200,915
Disposals	(72,471)
	<hr/>
At 31 December 2021	786,088
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Depreciation and impairment	
At 1 January 2021	407,611
Depreciation charged in the year	55,605
Eliminated in respect of disposals	(57,733)
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At 31 December 2021	405,483
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Carrying amount	
At 31 December 2021	380,605
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At 31 December 2020	250,033
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The net book value of tangible fixed assets includes £133,412 (2020 - £92,417) in respect of assets held under hire purchase contracts.

5 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	1,001	1,001
	<hr/>	<hr/>

6 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Incentives-UK Limited	Britannia Centre, Network 65 Business Park, Burnley, Lancashire, BB11 5ST	Ordinary	100.00
Trophies & Treasures Limited	Same as above	Ordinary	100.00
Stuart Surridge & Company Limited	Same as above	Ordinary	100.00

SDL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	832,619	388,366
Other debtors	60,905	103,346
	<u>893,524</u>	<u>491,712</u>

8 Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans	40,000	110,000
Trade creditors	496,840	456,338
Amounts owed to group undertakings	1,000	1,000
Taxation and social security	62,095	14,668
Other creditors	528,886	516,190
	<u>1,128,821</u>	<u>1,098,196</u>

The bank loans and overdraft are secured by a mortgage debenture incorporating a fixed and floating charge over all current and future assets of the company.

Other creditors includes £38,499 (2020 - £27,352) in respect of assets held under hire purchase contracts. The amounts are secured over the assets concerned.

9 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	150,000	190,000
Other creditors	51,248	28,806
	<u>201,248</u>	<u>218,806</u>

Other creditors includes £51,248 (2020 - £28,806) in respect of assets held under hire purchase contracts. The amounts are secured over the assets concerned.

SDL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Called up share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
A Ordinary shares of £1 each	32,500	32,500	32,500	32,500
B Ordinary shares of £1 each	325,000	325,000	325,000	325,000
C Ordinary shares of £1 each	260,000	260,000	260,000	260,000
D Ordinary shares of £1 each	32,500	32,500	32,500	32,500
	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021	2020
	£	£
Total future commitments	<u>73,922</u>	<u>48,591</u>

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.