

Company Registration No. 02821180 (England and Wales)

Frost and Reed Limited

**Financial statements
for the year ended 31 October 2020**

Pages for filing with the Registrar

Frost and Reed Limited

Contents

	Page
Statement of financial position	1
Notes to the financial statements	2 - 6

Frost and Reed Limited**Statement of financial position****As at 31 October 2020**

			2020	2019
	Notes	£	£	£
Current assets				
Stocks		164,379	139,372	
Debtors		135,228	135,239	
Cash at bank and in hand		-	905	
		<u>299,607</u>	<u>275,516</u>	
Creditors: amounts falling due within one year	3	<u>(851,887)</u>	<u>(817,417)</u>	
Net current liabilities			<u>(552,280)</u>	<u>(541,901)</u>
Capital and reserves				
Called up share capital	4		207	207
Share premium account			250,146	250,146
Profit and loss reserves			<u>(802,633)</u>	<u>(792,254)</u>
Total equity			<u>(552,280)</u>	<u>(541,901)</u>

The directors of the company have elected not to include a copy of the income statement within the 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 24 June 2021 and are signed on its behalf by:

Martyn Rose

Director

Company Registration No. 02821180

Frost and Reed Limited

Notes to the financial statements For the year ended 31 October 2020

1 Accounting policies

Company information

Frost and Reed Limited is a private company limited by shares incorporated in England and Wales. The registered office is 7 Trebeck Street, Mayfair, London, W1J 7LU.

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.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Frost and Reed Limited is a wholly owned subsidiary of Martyn Rose Limited and the results of Frost and Reed Limited are included in the consolidated financial statements of Martyn Rose Limited which are available from 7 Trebeck Street, Mayfair, London, W1J 7LU.

1.2 Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £ 552,280 (2019: £541,901) which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Martyn Rose Limited who have indicated that for at least 12 months from the date of approval of these financial statements they will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on related entities for financial support, the directors acknowledge that there can be no certainty that this support will continue beyond the agreed 12 months although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

1.3 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, those overheads that have been incurred in bringing the stocks to their present location and condition.

1 Accounting policies (continued)

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.

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 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 statement of financial position 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 debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

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.

1 Accounting policies (continued)

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. Financial liabilities classified as payable within one year are not amortised.

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.

Derecognition of financial liabilities

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

1.6 Equity instruments

Equity instruments issued by the company are recorded at the 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.7 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 income statement 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 is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is not discounted.

Frost and Reed Limited

Notes to the financial statements (continued)
For the year ended 31 October 2020

2 Employees

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

	2020	2019
	Number	Number
Total	2	2
	=====	=====

3 Creditors: amounts falling due within one year

	2020	2019
	£	£
Amounts owed to group undertakings	839,728	804,133
Other creditors	12,159	13,284
	=====	=====
	851,887	817,417
	=====	=====

4 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
207 Ordinary shares of £1 each	207	207
	=====	=====

5 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Lucy Brennan.

The auditor was Saffery Champness LLP.

Frost and Reed Limited

Notes to the financial statements (continued)

For the year ended 31 October 2020

6 Related party transactions

The company has taken advantage of the exemptions available under Financial Reporting Standard 102 Section 33 whereby it has not disclosed transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

7 Parent company

The ultimate controlling party is Martyn Rose.

The immediate parent company is Martyn Rose Limited. The consolidated financial statements of Martyn Rose Limited include Frost and Reed Limited and can be obtained from the registered office of Martyn Rose Limited, 71 Queen Victoria Street, London, EC4V 4BE.

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.