

Financial Statements for the Year Ended 31 August 2019

for

Sedem Limited

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Sedem Limited

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for the Year Ended 31 August 2019

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Sedem Limited
Company Information
for the Year Ended 31 August 2019

DIRECTOR: A E Edem

SECRETARY: A Edem

REGISTERED OFFICE: Sedem House
66-74 Stanley Road
Kirkdale
Liverpool
L5 2QA

REGISTERED NUMBER: 03331812 (England and Wales)

AUDITORS: Alexander Myerson & Co Limited
Alexander House
61 Rodney Street
Liverpool
Merseyside
L1 9ER

Sedem Limited (Registered number: 03331812)

Balance Sheet
31 August 2019

	Notes	31.8.19 £	£	31.8.18 £	£
FIXED ASSETS					
Intangible assets	4		333,468		403,942
Tangible assets	5		1,411,323		1,440,517
			<u>1,744,791</u>		<u>1,844,459</u>
CURRENT ASSETS					
Stocks	6	820,577		632,213	
Debtors	7	707,153		759,019	
Cash at bank and in hand	.	3,529		223,530	
		<u>1,531,259</u>		<u>1,614,762</u>	
CREDITORS					
Amounts falling due within one year	8	1,118,357		957,274	
NET CURRENT ASSETS			<u>412,902</u>		<u>657,488</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,157,693		2,501,947
CREDITORS					
Amounts falling due after more than one year	9		(551,013)		(757,348)
PROVISIONS FOR LIABILITIES			<u>(3,798)</u>		<u>(4,676)</u>
NET ASSETS			<u>1,602,882</u>		<u>1,739,923</u>
CAPITAL AND RESERVES					
Called up share capital	11		10,000		10,000
Retained earnings			1,592,882		1,729,923
SHAREHOLDERS' FUNDS			<u>1,602,882</u>		<u>1,739,923</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 24/8/20 and were signed by:


.....
A E Edem - Director

The notes form part of these financial statements

Sedem Limited

Notes to the Financial Statements **for the Year Ended 31 August 2019**

1. STATUTORY INFORMATION

Sedem Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill is being written off evenly over its estimated useful life of 20 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Short leasehold	- in accordance with the property
Improvements to property	- 5% on cost
Fixtures, fittings and equipment	- 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Stocks

The stock was valued by Ernest J George Ltd, professional stocktakers, at 31 August 2019. The valuation method calculates net cost from the retail value less VAT, discounts and mark up.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Sedem Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2019

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 42 (2018 - 44).

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 September 2018	
and 31 August 2019	2,190,423
AMORTISATION	
At 1 September 2018	1,786,481
Amortisation for year	70,474
At 31 August 2019	1,856,955
NET BOOK VALUE	
At 31 August 2019	333,468
At 31 August 2018	403,942

Sedem Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2019**

5. TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Improvements to property £
COST			
At 1 September 2018	2,268,190	95,915	402,609
Additions	-	-	-
At 31 August 2019	2,268,190	95,915	402,609
DEPRECIATION			
At 1 September 2018	1,125,659	50,217	180,782
Charge for year	-	2,538	18,801
At 31 August 2019	1,125,659	52,755	199,583
NET BOOK VALUE			
At 31 August 2019	1,142,531	43,160	203,026
At 31 August 2018	1,142,531	45,698	221,827

	Fixtures, fittings and equipment £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 September 2018	842,744	19,324	87,760	3,716,542
Additions	-	-	13,400	13,400
At 31 August 2019	842,744	19,324	101,160	3,729,942
DEPRECIATION				
At 1 September 2018	816,488	15,231	87,648	2,276,025
Charge for year	14,269	2,455	4,531	42,594
At 31 August 2019	830,757	17,686	92,179	2,318,619
NET BOOK VALUE				
At 31 August 2019	11,987	1,638	8,981	1,411,323
At 31 August 2018	26,256	4,093	112	1,440,517

The freehold property in the director's opinion is stated correctly in the accounts. These assets have not been depreciated during the year, as it is the director's belief that any further depreciation would show a lower net book value than what the properties would be expected to achieve in the market.

6. STOCKS

	31.8.19	31.8.18
	£	£
Stocks	820,577	632,213

Sedem Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2019

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.19	31.8.18
	£	£
Trade debtors	409,072	397,354
Other debtors	95,208	44,814
Directors' current accounts	128,791	240,118
Prepayments	74,082	76,733
	<u>707,153</u>	<u>759,019</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.19	31.8.18
	£	£
Bank loans and overdrafts	229,896	204,470
Trade creditors	747,105	601,121
Taxation	80,601	100,526
Social security and other taxes	7,828	5,873
Other creditors	21,025	10,888
Accrued expenses	31,902	34,396
	<u>1,118,357</u>	<u>957,274</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.19	31.8.18
	£	£
Bank loans	<u>551,013</u>	<u>757,348</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	31.8.19	31.8.18
	£	£
Bank overdraft	24,426	-
Bank loans	<u>756,483</u>	<u>961,818</u>
	<u>780,909</u>	<u>961,818</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.8.19	31.8.18
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Paul Burns BSc BFP FCA (Senior Statutory Auditor)
for and on behalf of Alexander Myerson & Co Limited

Sedem Limited

Notes to the Financial Statements - continued
for the Year Ended 31 August 2019

13. OTHER FINANCIAL COMMITMENTS

The company has future operating lease commitments of £681,395.

14. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 August 2019 and 31 August 2018:

	31.8.19 £	31.8.18 £
A E Edem		
Balance outstanding at start of year	240,118	128,960
Amounts advanced	344,015	536,158
Amounts repaid	(455,342)	(425,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>128,791</u>	<u>240,118</u>