

Molly's Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2021

KSEG
Chartered Accountants
Belfry House
Champions Way
Hendon
London
NW4 1PX

Molly's Limited

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Molly's Limited

Company Information

Director	M M Patel
Registered office	Belfry House Champions Way Hendon London NW4 1PX
Accountants	KSEG Chartered Accountants Belfry House Champions Way Hendon London NW4 1PX

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Financial
Statements of
Molly's Limited
for the Year Ended 31 May 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Molly's Limited for the year ended 31 May 2021, which comprise the statement of income, balance sheet and the related notes, from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation/a-z>.

This report is made solely to the director of Molly's Limited, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the accounts of Molly's Limited and state those matters that we have agreed to state to the director of Molly's Limited, in this report in accordance with ICAEW Technical Release TECH 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Molly's Limited and its director for our work or for this report.

It is your duty to ensure that Molly's Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Molly's Limited. You consider that Molly's Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Molly's Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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KSEG
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NW4 1PX

25 February 2022

Molly's Limited

(Registration number: 04419765)

Balance Sheet as at 31 May 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>5</u>	389,310	390,399
Current assets			
Stocks	<u>6</u>	165,574	161,741
Debtors	<u>7</u>	305,666	384,346
Cash at bank and in hand		<u>331,659</u>	<u>375,411</u>
		802,899	921,498
Creditors: Amounts falling due within one year	<u>8</u>	<u>(170,860)</u>	<u>(169,928)</u>
Net current assets		<u>632,039</u>	<u>751,570</u>
Total assets less current liabilities		1,021,349	1,141,969
Provisions for liabilities	<u>9</u>	<u>(15,034)</u>	<u>(13,754)</u>
Net assets		<u><u>1,006,315</u></u>	<u><u>1,128,215</u></u>
Capital and reserves			
Called up share capital	<u>11</u>	1,000	1,000
Retained earnings		<u>1,005,315</u>	<u>1,127,215</u>
Shareholder's funds		<u><u>1,006,315</u></u>	<u><u>1,128,215</u></u>

For the financial year ended 31 May 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The statement of income and the director's report are not delivered to the Registrar of Companies in accordance with the special provisions applicable to small companies subject to the small companies regime.

Approved and authorised for issue by the director on 25 February 2022

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M M Patel

Director

Molly's Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

1 General information

The company is a private company limited by share capital incorporated in England. The registered office is shown on page 1.

The principal place of business is:

14-15 St Dominic's Square
Lewsey Farm
Luton
Bedfordshire
LU4 0UN

2 Accounting policies

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A Small Entities and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts and recognised at point of sale.

Government grants

This comprises the Coronavirus Retail, Hospitality and Leisure grant which is recognised in the statement of income, under other operating income, using the accruals model.

Tax

The tax expense for the year comprises current and, where applicable deferred tax. Tax is recognised in statement of income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The company's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Molly's Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

Deferred tax is recognised on all timing differences arising between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Current and deferred tax assets and liabilities are not discounted.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is provided on tangible assets so as to write off the cost, less any estimated residual value, evenly over their estimated useful economic life, as follows:

Asset class	Depreciation rate and method
Fixtures, fittings & equipment	25% reducing balance basis
Short leasehold land & buildings	14% straight line basis
Freehold land & buildings	2% straight line basis

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised over its useful life.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost over their estimated useful economic life, as follows:

Asset class	Amortisation rate and method
Goodwill	10% and 20% straight line basis

Cash at bank and in hand

Cash comprises cash at bank and in hand.

Trade debtors

Trade debtors are amounts due from customers for goods sold or services provided in the ordinary course of business.

A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is based on estimated selling price.

Molly's Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the statement of income in the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

In addition, the pension costs also include the amount paid by the company into the director's personal pension plan.

Financial instruments

Classification

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

Recognition and measurement

The company's cash at bank and in hand, trade and other debtors, trade and other creditors are measured initially at transaction price, and subsequently at amortised cost using the effective interest method.

3 Employee information

The average number of persons employed by the company (including the director) during the year, was 39 (2020 - 42).

Molly's Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

4 Intangible assets

	Goodwill £
Cost	
At 1 June 2020	202,487
At 31 May 2021	202,487
Amortisation	
At 1 June 2020	202,487
At 31 May 2021	202,487
Carrying amount	
At 31 May 2021	-
At 31 May 2020	-

5 Tangible assets

	Land and buildings £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 June 2020	373,426	287,024	660,450
Additions	-	33,448	33,448
At 31 May 2021	373,426	320,472	693,898
Depreciation			
At 1 June 2020	58,989	211,062	270,051
Charge for the year	7,184	27,353	34,537
At 31 May 2021	66,173	238,415	304,588
Carrying amount			
At 31 May 2021	307,253	82,057	389,310
At 31 May 2020	314,437	75,962	390,399

Included within the net book value of land and buildings above is £307,253 (2020 - £314,437) in respect of freehold land and buildings and £Nil (2020 - £Nil) in respect of short leasehold land and buildings.

Molly's Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

6 Stocks

	2021 £	2020 £
Finished goods	165,574	161,741

7 Debtors

	2021 £	2020 £
Trade debtors	221	96
Other debtors	305,445	384,250
	305,666	384,346

Other debtors include £11,018 (2020 - £157,668) deferred consideration on the sale of fixed asset investments on 4 May 2018. £2,203 (2020 - £11,018) of this is due after more than one year. The deferred consideration is contingent on meeting certain targets over next two years.

8 Creditors : amounts falling due within one year

	2021 £	2020 £
Trade creditors	145,980	131,740
Other taxes and social security	17,231	23,002
Director's loan	1,359	7,706
Other creditors	1,540	1,630
Accruals	4,750	5,850
	170,860	169,928

9 Provisions for liabilities

	Deferred tax £
At 1 June 2020	13,754
Increase in existing provisions	1,280
At 31 May 2021	15,034

Molly's Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

10 Commitments under operating leases

As at 31 May 2021, the company had total future commitments under non-cancellable operating leases as set out below:

	2021	2020
	£	£
Not later than one year	56,928	52,345
Later than one year and not later than five years	182,587	206,432
Later than five years	75,000	111,000
	<u>314,515</u>	<u>369,777</u>

11 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000

12 Related party transactions

Loan from director

2021	£
At start of year	7,706
Repaid	<u>(6,347)</u>
At end of year	<u>1,359</u>
2020	£
At start of year	1,365
Advanced during the year	<u>6,341</u>
At end of year	<u>7,706</u>

Terms of loan from director

Loan from the director is unsecured, interest free and repayable on demand.

13 Control

The company is controlled by Mrs M Patel who is its sole shareholder and director.

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.