

**Ann's Cottage Surf Shop (Wadebridge) Limited**  
**Filleted Unaudited Financial Statements**  
**31 January 2019**



# Ann's Cottage Surf Shop (Wadebridge) Limited

## Statement of Financial Position

31 January 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	5	505,840	404,732
<b>Current assets</b>			
Stocks		956,295	752,460
Debtors	6	87,725	71,578
Cash at bank and in hand		494,948	699,732
		<u>1,538,968</u>	<u>1,523,770</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>1,254,629</u>	<u>1,166,012</u>
<b>Net current assets</b>		<b>284,339</b>	<b>357,758</b>
<b>Total assets less current liabilities</b>		<b>790,179</b>	<b>762,490</b>
<b>Net assets</b>		<b>790,179</b>	<b>762,490</b>
<b>Capital and reserves</b>			
Called up share capital		2	2
Profit and loss account		<u>790,177</u>	<u>762,488</u>
<b>Shareholders funds</b>		<b>790,179</b>	<b>762,490</b>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

For the year ending 31 January 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- 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.

The statement of financial position  
continues on the following page.

The notes on pages 3 to 7 form part of these financial statements.

# **Ann's Cottage Surf Shop (Wadebridge) Limited**

## **Statement of Financial Position** *(continued)*

**31 January 2019**

These financial statements were approved by the board of directors and authorised for issue on 28.06.19, and are signed on behalf of the board by:



Mr Harris  
Director

Company registration number: 04768926

The notes on pages 3 to 7 form part of these financial statements.

# **Ann's Cottage Surf Shop (Wadebridge) Limited**

## **Notes to the Financial Statements**

**Year ended 31 January 2019**

### **1. General information**

The company is a private company limited by shares, registered in England. The address of the registered office is Unit 4 Higher Pityme Farm, Pityme Business Centre, St Minver, Wadebridge, Cornwall, PL27 6NU.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

# **Ann's Cottage Surf Shop (Wadebridge) Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 January 2019**

### **3. Accounting policies *(continued)***

#### **Tangible assets *(continued)***

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvements	-	Straight line over 10-15 years
Fixtures and fittings	-	20% straight line
Equipment	-	20% straight line

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

# **Ann's Cottage Surf Shop (Wadebridge) Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 31 January 2019**

### **3. Accounting policies *(continued)***

#### **Financial instruments *(continued)***

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### **4. Employee numbers**

The average number of persons employed by the company during the year amounted to 66 (2018: 58).

# Ann's Cottage Surf Shop (Wadebridge) Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 January 2019

### 5. Tangible assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>				
At 1 February 2018	786,340	383,964	208,450	<b>1,378,754</b>
Additions	56,778	103,342	38,345	<b>198,465</b>
<b>At 31 January 2019</b>	<b>843,118</b>	<b>487,306</b>	<b>246,795</b>	<b>1,577,219</b>
<b>Depreciation</b>				
At 1 February 2018	413,958	365,120	194,944	<b>974,022</b>
Charge for the year	57,897	26,346	13,114	<b>97,357</b>
<b>At 31 January 2019</b>	<b>471,855</b>	<b>391,466</b>	<b>208,058</b>	<b>1,071,379</b>
<b>Carrying amount</b>				
<b>At 31 January 2019</b>	<b>371,263</b>	<b>95,840</b>	<b>38,737</b>	<b>505,840</b>
At 31 January 2018	372,382	18,844	13,506	404,732

### 6. Debtors

	2019 £	2018 £
Trade debtors	6,097	7,846
Other debtors	81,628	63,732
	<b>87,725</b>	<b>71,578</b>

### 7. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	71,669	135,544
Amounts owed to group undertakings and undertakings in which the company has a participating interest	921,188	495,357
Corporation tax	—	15,676
Social security and other taxes	245,262	506,559
Other creditors	16,510	12,876
	<b>1,254,629</b>	<b>1,166,012</b>

# **Ann's Cottage Surf Shop (Wadebridge) Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 January 2019**

### **8. Related party transactions**

The company was under the control of Mr Harris throughout the current and previous year.

During the year the company purchased stock of £4,291,063 from Ann's Cottage (Warehouse) Limited. Management charges of £13,500 were charged by Ann's Cottage (Warehouse) Limited during the year.

The amount owed to Ann's Cottage (Warehouse) Limited at the year end was £888,493 (2018 £297,935), and owed to Ann's Cottage (Animal) Limited was £Nil (2018 £165,058). These companies are owned by Mr R Harris.

The net movement in the directors loan account during the year was a decrease of £597. The balance due to the director at the year end was £2,635 (2018 £3,232). The loan is non interest bearing and repayable on demand.