

# A J B Fashions Limited

Directors' Report and Unaudited Financial Statements  
for the Year Ended 31 March 2017

Howsons  
Chartered Accountants  
Winton House  
Stoke Road  
Stoke on Trent  
Staffordshire  
ST4 2RW

# A J B Fashions Limited

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# **A J B Fashions Limited**

## **Company Information**

**Director** Mrs A J Bennett

**Company secretary** Mr A D Bennett

**Registered office** 16a High Street  
Stone  
Staffordshire  
ST15 8AW

**Accountants** Howsons  
Chartered Accountants  
Winton House  
Stoke Road  
Stoke on Trent  
Staffordshire  
ST4 2RW

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited  
Statutory Accounts of  
A J B Fashions Limited  
for the Year Ended 31 March 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of A J B Fashions Limited for the year ended 31 March 2017 as set out on pages 3 to 13 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 <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of A J B Fashions Limited, as a body, in accordance with the terms of our engagement letter dated 17 May 2013. Our work has been undertaken solely to prepare for your approval the accounts of A J B Fashions Limited and state those matters that we have agreed to state to the Board of Directors of A J B Fashions Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A J B Fashions Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that A J B Fashions 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 profit of A J B Fashions Limited. You consider that A J B Fashions 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 accounts of A J B Fashions 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.

.....  
Howsons  
Chartered Accountants  
Winton House  
Stoke Road  
Stoke on Trent  
Staffordshire  
ST4 2RW

24 July 2017

## A J B Fashions Limited

### Statement of Comprehensive Income for the Year Ended 31 March 2017

	2017 £	2016 £
Profit for the year	14,513	9,849
Total comprehensive income for the year	14,513	9,849

The notes on pages 7 to 13 form an integral part of these financial statements.  
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# A J B Fashions Limited

(Registration number: 05124391)  
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	<u>5</u>	5,749	3,395
<b>Current assets</b>			
Stocks	<u>6</u>	88,735	93,415
Debtors	<u>7</u>	3,500	3,500
Cash at bank and in hand		5,231	1,253
		<u>97,466</u>	<u>98,168</u>
<b>Creditors:</b> Amounts falling due within one year	<u>8</u>	<u>(36,874)</u>	<u>(40,142)</u>
<b>Net current assets</b>		<u>60,592</u>	<u>58,026</u>
<b>Total assets less current liabilities</b>		66,341	61,421
<b>Creditors:</b> Amounts falling due after more than one year	<u>8</u>	<u>(60,000)</u>	<u>(60,000)</u>
<b>Provisions for liabilities</b>		<u>(1,086)</u>	<u>(679)</u>
<b>Net assets</b>		<u>5,255</u>	<u>742</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>5,155</u>	<u>642</u>
<b>Total equity</b>		<u>5,255</u>	<u>742</u>

For the financial year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

## Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of Financial Reporting Standard 102 (FRS 102) Section 1A - small entities.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 7 to 13 form an integral part of these financial statements.

**A J B Fashions Limited**

**(Registration number: 05124391)**

**Balance Sheet as at 31 March 2017**

Approved and authorised by the director on 24 July 2017

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Mrs A J Bennett

Director

The notes on pages 7 to 13 form an integral part of these financial statements.

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# A J B Fashions Limited

## Statement of Changes in Equity for the Year Ended 31 March 2017

	Share capital £	Profit and loss account £	Total £
At 1 April 2016	100	642	742
Profit for the year	-	14,513	14,513
Total comprehensive income	-	14,513	14,513
Dividends	-	(10,000)	(10,000)
At 31 March 2017	100	5,155	5,255

	Share capital £	Profit and loss account £	Total £
At 1 April 2015	100	793	893
Profit for the year	-	9,849	9,849
Total comprehensive income	-	9,849	9,849
Dividends	-	(10,000)	(10,000)
At 31 March 2016	100	642	742

The notes on pages 7 to 13 form an integral part of these financial statements.



# A J B Fashions Limited

## Notes to the Financial Statements for the Year Ended 31 March 2017

### 1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

16a High Street  
Stone  
Staffordshire  
ST15 8AW

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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.

#### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The company's presentational currency is pound sterling (£). The accounts are rounded to the nearest whole pound.

#### Tangible assets

Tangible assets are stated in the statement of financial position 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 charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and Fittings	10% reducing balance basis
Office equipment	33% 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 held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

## **A J B Fashions Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2017**

#### **Amortisation**

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

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	20% straight line basis

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

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

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. 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 receivables.

#### **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.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade creditors**

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

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## **A J B Fashions Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2017**

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **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.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

## **A J B Fashions Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2017**

#### **Financial instruments**

##### ***Classification***

Basic financial assets, including trade and other debtors, cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

Basic financial liabilities, including trade and other trade creditors, bank and other loans, 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 receipts discounted at a market rate of interest.

##### ***Recognition and measurement***

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 and loss.

##### ***Impairment***

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 in the profit or loss.

Financial assets are derecognised when a) the contractual rights to the cash flows from the asset expire or are settled, or b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

#### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 4 (2016 - 4).

# A J B Fashions Limited

## Notes to the Financial Statements for the Year Ended 31 March 2017

### 4 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 April 2016	31,154	31,154
At 31 March 2017	31,154	31,154
<b>Amortisation</b>		
At 1 April 2016	31,154	31,154
At 31 March 2017	31,154	31,154
<b>Carrying amount</b>		
At 31 March 2017	-	-

### 5 Tangible assets

	Furniture, fittings and equipment £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2016	10,350	669	11,019
Additions	3,118	-	3,118
At 31 March 2017	13,468	669	14,137
<b>Depreciation</b>			
At 1 April 2016	7,234	390	7,624
Charge for the year	624	140	764
At 31 March 2017	7,858	530	8,388
<b>Carrying amount</b>			
At 31 March 2017	5,610	139	5,749
At 31 March 2016	3,116	279	3,395

### 6 Stocks

2017

2016

Other inventories

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£	£
88,735	93,415

# A J B Fashions Limited

## Notes to the Financial Statements for the Year Ended 31 March 2017

### 7 Debtors

	2017 £	2016 £
Other debtors	3,500	3,500
Total current trade and other debtors	3,500	3,500

### 8 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Bank loans and overdrafts	9	58	6,037
Trade creditors		18,096	16,255
Taxation and social security		8,090	8,729
Other creditors		5,802	4,373
Other borrowings	9	4,828	4,748
		36,874	40,142
<b>Due after one year</b>			
Loans and borrowings	9	60,000	60,000

### 9 Loans and borrowings

	2017 £	2016 £
<b>Non-current loans and borrowings</b>		
Other borrowings	60,000	60,000

	2017 £	2016 £
<b>Current loans and borrowings</b>		
Bank overdrafts	58	6,037
Other borrowings	4,828	4,748
	4,886	10,785

#### Other borrowings

Directors' Loan Account (current) with a carrying amount of £4,828 (2016 - £4,748) is denominated in Pound Sterling with a nominal interest rate of 8%.

Directors' Loan Account (non-current) with a carrying amount of £60,000 (2016 - £60,000) is denominated in Pound Sterling with a nominal interest rate of 8%.





## A J B Fashions Limited

### Notes to the Financial Statements for the Year Ended 31 March 2017

#### 10 Dividends

	2017 £	2016 £
Interim dividend of £100.00 (2016 - £100.00) per ordinary share	10,000	10,000

#### 11 Going Concern

These accounts have been prepared on a going concern basis. The director will continue to support the company for the foreseeable future and as a result has adopted the going concern basis of accounting.

#### 12 Transition to FRS 102

This is the first year that the company presented its financial statements under Financial Reporting Standard 102 (FRS 102). The last financial statements under the UK GAAP were for the year ended 31 March 2016. The date of transition was 1 April 2015.

There have been no changes to the previously reported profit and loss or equity due to the transition to FRS 102.

#### Other Adjustments

There has been a presentational adjustment to the financial statements which has had no effect on the profit and loss or equity. Under UK GAAP the company presented a reserves note and reconciliation of movement in shareholders funds within the notes to the financial statements. Under FRS 102, a primary statement called the Statement of changes in equity is presented that replaces these notes and incorporates movement in share capital.

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.