

SC4 (UK) Limited

Filleted Unaudited Financial Statements
for the Year Ended 31 July 2018

SC4 (UK) Limited

(Registration number: 07156033)
Balance Sheet as at 31 July 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	<u>4</u>	4,973	300
Tangible assets	<u>5</u>	1,118,188	806,722
		<u>1,123,161</u>	<u>807,022</u>
Current assets			
Stocks	<u>6</u>	326,620	264,410
Debtors	<u>7</u>	248,298	340,439
Cash at bank and in hand		46,627	73,948
		<u>621,545</u>	<u>678,797</u>
Creditors: Amounts falling due within one year	<u>8</u>	(734,008)	(709,798)
Net current liabilities		<u>(112,463)</u>	<u>(31,001)</u>
Total assets less current liabilities		1,010,698	776,021
Creditors: Amounts falling due after more than one year	<u>8</u>	(585,308)	(396,472)
Provisions for liabilities		<u>(76,968)</u>	<u>(67,250)</u>
Net assets		<u>348,422</u>	<u>312,299</u>
Capital and reserves			
Called up share capital	<u>10</u>	830	830
Capital redemption reserve		170	170
Revaluation reserve		17,353	19,281
Profit and loss account		<u>330,069</u>	<u>292,018</u>
Total equity		<u>348,422</u>	<u>312,299</u>

For the financial year ending 31 July 2018 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their 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.

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 3 to 9 form an integral part of these financial statements.

SC4 (UK) Limited

(Registration number: 07156033)
Balance Sheet as at 31 July 2018

Approved and authorised by the Board on 2 January 2019 and signed on its behalf by:

Mr S V Eddy
Director

The notes on pages 3 to 9 form an integral part of these financial statements.
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SC4 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

1 General information

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

The address of its registered office is:

50-54 Oswald Road
Scunthorpe
North Lincolnshire
DN15 7PQ

The principal place of business is:

6 Midland Road
Scunthorpe
North Lincolnshire
DN16 1DQ
Registered number: 07156033

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.

Revenue recognition

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 sales/value added tax, returns, rebates and discounts.

The company recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

SC4 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

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 over their estimated useful lives as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% per annum on written down value
Furniture, fittings and equipment	10%, 15% or 20% per annum on written down value

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, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Intangible assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

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:

Asset class	Amortisation method and rate
Goodwill	over 10 years

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.

SC4 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

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 at the transaction price, 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 at the transaction price.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs.

The business utilises an invoice financing facility. Financial assets and liabilities arising from a sale are recorded at the transaction price.

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 are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the fair value at inception of the lease. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

SC4 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 26 (2017 - 26).

4 Intangible assets

	Goodwill £	Trademarks, patents and licenses £	Total £
Cost or valuation			
At 1 August 2017	1,000	-	1,000
Additions acquired separately	-	4,773	4,773
At 31 July 2018	1,000	4,773	5,773
Amortisation			
At 1 August 2017	700	-	700
Amortisation charge	100	-	100
At 31 July 2018	800	-	800
Carrying amount			
At 31 July 2018	200	4,773	4,973
At 31 July 2017	300	-	300

SC4 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 August 2017	1,008,848	38,250	1,047,098
Additions	417,709	-	417,709
At 31 July 2018	1,426,557	38,250	1,464,807
Depreciation			
At 1 August 2017	231,105	9,271	240,376
Charge for the year	98,998	7,245	106,243
At 31 July 2018	330,103	16,516	346,619
Carrying amount			
At 31 July 2018	1,096,454	21,734	1,118,188
At 31 July 2017	777,743	28,979	806,722

6 Stocks

	2018 £	2017 £
Work in progress	231,200	211,200
Stocks	95,420	53,210
	326,620	264,410

7 Debtors

	2018 £	2017 £
Trade debtors	229,728	322,397
Other debtors	18,570	18,042
	248,298	340,439

SC4 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

8 Creditors

	Note	2018 £	2017 £
Due within one year			
Loans and borrowings	<u>9</u>	307,084	365,055
Trade creditors		317,804	180,003
Taxation and social security		40,725	115,427
Other creditors		<u>68,395</u>	<u>49,313</u>
		<u>734,008</u>	<u>709,798</u>
Due after one year			
Loans and borrowings	<u>9</u>	527,190	293,229
Amounts due to related parties	<u>11</u>	<u>58,118</u>	<u>103,243</u>
		<u>585,308</u>	<u>396,472</u>

9 Loans and borrowings

	2018 £	2017 £
Current loans and borrowings		
HP and finance lease liabilities	138,599	131,846
Other borrowings	<u>168,485</u>	<u>233,209</u>
	<u>307,084</u>	<u>365,055</u>

	2018 £	2017 £
Non-current loans and borrowings		
HP and finance lease liabilities	<u>527,190</u>	<u>293,229</u>

Other borrowings

The obligations under finance leases are secured upon the assets to which they relate.
Included within other borrowings is the invoice finance creditor and a loan which are secured upon the book debts of the company.

SC4 (UK) Limited

Notes to the Financial Statements for the Year Ended 31 July 2018

10 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	830	830	830	830

11 Related party transactions

Transactions with directors

The directors have provided loan finance to the company totalling £5,916 (2017 - £46,591), which is not repayable within the next 12 months. No interest is being charged on this loan finance.

Transactions with parent

The parent company has provided loan finance to the company totalling £52,202 (2017 - £56,652), which is not repayable within the next 12 months. No interest is being charged on this loan finance.

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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.