

**REGISTERED NUMBER: 07240581 (England and Wales)**

**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018**

**FOR**

**SMART MERCHANTS LIMITED**

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for the Year Ended 30 April 2018**

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**SMART MERCHANTS LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 30 April 2018**

**DIRECTORS:**

M P Watts  
R H Marsh

**REGISTERED OFFICE:**

54 Sun Street  
Waltham Abbey  
Essex  
EN9 1EJ

**REGISTERED NUMBER:**

07240581 (England and Wales)

**ACCOUNTANTS:**

KNIGHT WHEELER LIMITED  
Chartered Accountants  
54 Sun Street  
Waltham Abbey  
Essex  
EN9 1EJ

**SMART MERCHANTS LIMITED (REGISTERED NUMBER: 07240581)**

**BALANCE SHEET**  
**30 April 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	4	34,389	38,821
<b>CURRENT ASSETS</b>			
Stocks		631,450	532,078
Debtors	5	898,600	869,093
Cash at bank and in hand		70,938	98,985
		<u>1,600,988</u>	<u>1,500,156</u>
<b>CREDITORS</b>			
Amounts falling due within one year	6	<u>(1,249,021)</u>	<u>(1,234,419)</u>
<b>NET CURRENT ASSETS</b>		<u>351,967</u>	<u>265,737</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		386,356	304,558
<b>CREDITORS</b>			
Amounts falling due after more than one year	7	(47,350)	(40,883)
<b>PROVISIONS FOR LIABILITIES</b>	9	<u>(3,026)</u>	<u>-</u>
<b>NET ASSETS</b>		<u>335,980</u>	<u>263,675</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		102	102
Retained earnings		<u>335,878</u>	<u>263,573</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>335,980</u>	<u>263,675</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 April 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 April 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The notes form part of these financial statements

**SMART MERCHANTS LIMITED (REGISTERED NUMBER: 07240581)**

**BALANCE SHEET - continued**  
**30 April 2018**

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

The financial statements were approved by the Board of Directors on 29 January 2019 and were signed on its behalf by:

R H Marsh - Director

M P Watts - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 30 April 2018

1. **STATUTORY INFORMATION**

Smart Merchants 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.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

The financial statements are presented in sterling (£) which is also the functional currency for the company and rounded to the nearest £.

**Turnover**

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

Turnover represents net invoiced electrical wholesales.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**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.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2018

2. ACCOUNTING POLICIES - continued

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Trade and other receivables**

Trade and other receivables are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest.

**Trade and Other Payables**

Trade and other payables are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest.

**Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and any short term deposits.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 16 (2017 - 15) .

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2018

4. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 May 2017	24,209	6,775	10,363
At 30 April 2018	24,209	6,775	10,363
<b>DEPRECIATION</b>			
At 1 May 2017	5,726	4,524	4,073
Charge for year	2,421	1,354	1,036
At 30 April 2018	8,147	5,878	5,109
<b>NET BOOK VALUE</b>			
At 30 April 2018	16,062	897	5,254
At 30 April 2017	18,483	2,251	6,290
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 May 2017	38,270	19,572	99,189
Additions	14,700	570	15,270
At 30 April 2018	52,970	20,142	114,459
<b>DEPRECIATION</b>			
At 1 May 2017	29,952	16,093	60,368
Charge for year	11,990	2,901	19,702
At 30 April 2018	41,942	18,994	80,070
<b>NET BOOK VALUE</b>			
At 30 April 2018	11,028	1,148	34,389
At 30 April 2017	8,318	3,479	38,821

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2018

4. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 May 2017	33,270	4,941	38,211
Additions	14,700	-	14,700
Transfer to ownership	(33,270)	-	(33,270)
At 30 April 2018	<u>14,700</u>	<u>4,941</u>	<u>19,641</u>
<b>DEPRECIATION</b>			
At 1 May 2017	24,953	3,294	28,247
Charge for year	3,675	1,646	5,321
Transfer to ownership	(24,953)	-	(24,953)
At 30 April 2018	<u>3,675</u>	<u>4,940</u>	<u>8,615</u>
<b>NET BOOK VALUE</b>			
At 30 April 2018	<u>11,025</u>	<u>1</u>	<u>11,026</u>
At 30 April 2017	<u>8,317</u>	<u>1,647</u>	<u>9,964</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	880,091	854,358
Smart Trans Supplies Ltd	4,434	-
Prepayments	<u>14,075</u>	<u>14,735</u>
	<u>898,600</u>	<u>869,093</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts	38,815	51,749
Hire purchase contracts	5,783	11,935
Trade creditors	588,447	555,342
Factoring account	515,509	502,288
Tax	49,876	42,375
Social security and other taxes	7,519	6,317
VAT	22,209	26,158
Other creditors	-	22,740
Credit card	825	2,721
Directors' current accounts	15,500	10,016
Accrued expenses	<u>4,538</u>	<u>2,778</u>
	<u>1,249,021</u>	<u>1,234,419</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 30 April 2018

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2018	2017
	£	£
Hire purchase contracts	7,350	883
Other creditors	40,000	40,000
	<u>47,350</u>	<u>40,883</u>

8. **SECURED DEBTS**

The following secured debts are included within creditors:

	2018	2017
	£	£
Factoring account	<u>515,509</u>	<u>502,288</u>

The factoring account is secured by way of a debenture which provides a fixed and floating charge over the assets of the company.

9. **PROVISIONS FOR LIABILITIES**

	2018	2017
	£	£
Deferred tax	<u>3,026</u>	<u>-</u>

		Deferred tax
		£
Provided during year		<u>3,026</u>
Balance at 30 April 2018		<u>3,026</u>

10. **RELATED PARTY DISCLOSURES**

The loan amounting to £40,000 is owed to R H Marsh and is on an interest free basis with no fixed repayment term.

The above transactions were conducted using normal commercial principles.

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.