

**FIVE LAMPS TRADING LIMITED**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2019**



**ArmstrongWatson®**  
Accountants, Business & Financial Advisers

**FIVE LAMPS TRADING LIMITED**  
**REGISTERED NUMBER: 08029251**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

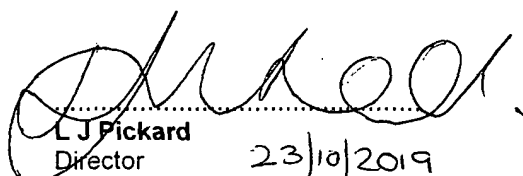
	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	3	1,905,837	14,000
Investment property	4	50,000	50,000
		<u>1,955,837</u>	<u>64,000</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	349,540	13,992
Cash at bank and in hand	6	1,318,094	4,289
		<u>1,667,634</u>	<u>18,281</u>
Creditors: amounts falling due within one year	7	(111,302)	(112,644)
<b>Net current assets/(liabilities)</b>		<u>1,556,332</u>	<u>(94,363)</u>
<b>Total assets less current liabilities</b>		<u>3,512,169</u>	<u>(30,363)</u>
Creditors: amounts falling due after more than one year	8	(3,085,139)	-
<b>Net assets/(liabilities)</b>		<u><u>427,030</u></u>	<u><u>(30,363)</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	850,002	2
Revaluation reserve		28,986	28,986
Profit and loss account		(451,958)	(59,351)
		<u><u>427,030</u></u>	<u><u>(30,363)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

  
L J Pickard  
Director 23/10/2019

The notes on pages 2 to 8 form part of these financial statements.

## **FIVE LAMPS TRADING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

#### **1. Accounting policies**

##### **1.1 General information**

The company is a private company limited by share capital incorporated in the United Kingdom.

The address of the registered office is:  
Community Resource Centre  
Eldon Street  
Thornaby  
TS17 7DJ

The principal activity of the company is responsible lending and property management/refurbishment.

The financial statements are presented in pounds sterling.

##### **1.2 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### **1.3 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of The Five Lamps Organisation as at 31st March 2019 and these financial statements may be obtained from Eldon Street, Thornaby, TS17 1DJ.

##### **1.4 Going concern**

The financial statements have been prepared on a going concern basis, which assumes that the company will continue to receive the financial support of the group's parent company. The financial statements do not include any adjustments that would result from a withdrawal of this support. The directors of Five Lamps Organisation have confirmed that they will continue to support the business for the next 12 months and beyond.

## **FIVE LAMPS TRADING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

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

##### **1.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Income includes interest generated from loans being serviced and managed by the company.

Also included in income are the rents generated from the investment properties.

##### **1.6 Investment property**

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

##### **1.7 Finance costs**

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **1.8 Borrowing costs**

All borrowing costs are recognised in the Statement of comprehensive income in the Year in which they are incurred.

##### **1.9 Pensions**

##### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

## **FIVE LAMPS TRADING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

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

##### **1.10 Valuation of investments**

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

IProgramme related investments are reviewed at annually for impairment, an adjustment is made to provide for amounts considered to be irrecoverable, but only once normal recovery procedures have been followed and no further repayments have been made.

##### **1.11 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### **1.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **2. Employees**

The average monthly number of employees, including directors, during the year was 38 (2018 - 21).

# FIVE LAMPS TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 3. Fixed asset and programme related investments

	Unlisted investments £	Loan book £	Total £
<b>Cost or valuation</b>			
At 1 April 2018	14,000	-	14,000
Additions	-	1,994,504	1,994,504
At 31 March 2019	14,000	1,994,504	2,008,504
<b>Impairment</b>			
Charge for the period	-	102,667	102,667
At 31 March 2019	-	102,667	102,667
<b>Net book value</b>			
At 31 March 2019	14,000	1,891,837	1,905,837
At 31 March 2018	14,000	-	14,000

The unlisted investments are an investment in Ask Inclusive Finance Group Holding Limited, which equates to a holding of less than 2%, to establish a platform in order to provide software, services and a market place for community lending to medium, small and micro enterprises.

During the year the Group undertook an operational review. As a result certain elements of the groups loan book were transferred from The Five Lamps Organisation to Five Lamps Trading Limited in the year. The transfer occurred at book value and gave rise to no gain or loss.

**FIVE LAMPS TRADING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**4. Investment property**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 April 2018	<b>50,000</b>
<b>At 31 March 2019</b>	<b>50,000</b>

**Investment property**

Included in freehold land and buildings is an investment property valued at £50,000. In the opinion of the directors this is a reasonable estimate of the market value at 31 March 2019.

If investment properties had not been revalued they would have been included at the historical cost of £21,014 (2018: £21,014).

# **FIVE LAMPS TRADING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

### **5. Debtors**

	2019 £	2018 £
Trade debtors	-	6,058
Amounts owed by group undertakings	348,861	-
Prepayments and accrued income	679	7,934
	<u>349,540</u>	<u>13,992</u>

### **6. Cash and cash equivalents**

	2019 £	2018 £
Cash at bank and in hand	1,318,094	4,289
	<u>1,318,094</u>	<u>4,289</u>

### **7. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	23,573	13,980
Amounts owed to group undertakings	-	64,024
Other taxation and social security	9,455	9,299
Other creditors	12,979	12,398
Accruals and deferred income	65,295	12,943
	<u>111,302</u>	<u>112,644</u>

### **8. Creditors: Amounts falling due after more than one year**

	2019 £	2018 £
Other loans	3,085,139	-
	<u>3,085,139</u>	<u>-</u>

The other loans are secured by various fixed and floating charges including a first legal charge over 'The Youthy', Thornaby Road, Thornaby and the client loan portfolio.



# FIVE LAMPS TRADING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

### 9. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due 2-5 years</b>		
Other loans	2,057,014	-
	<u>2,057,014</u>	<u>-</u>
<b>Amounts falling due after more than 5 years</b>		
Other loans	1,028,125	-
	<u>1,028,125</u>	<u>-</u>
	<u><u>3,085,139</u></u>	<u><u>-</u></u>

The other loans are secured by various fixed and floating charges over all the property and undertakings in this company and its parent, The Five Lamps Organisation.

### 10. Share capital

	2019 £	2018 £
<b>Allotted, called up and fully paid</b>		
850,002 (2018 - 2) Ordinary shares of £1.00 each	<u>850,002</u>	<u>2</u>

The company issued £850,000 £1 ordinary shares at par value on 2 November 2018.

### 11. Ultimate parent undertaking

Throughout the period the company was under control of the Board of its parent company, The Five Lamps Organisation.

### 12. Auditors' information

The auditors' report on the financial statements for the Year ended 31 March 2019 was unqualified.

The audit report was signed on 30/10/2019 by Simon Turner (Senior statutory auditor) on behalf of Armstrong Watson Audit Limited.