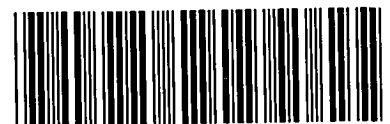


DESMO ENTERPRISES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 DECEMBER 2017
PAGES FOR FILING WITH REGISTRAR



FRIDAY



JNI *J7FGHCSG* #225
28/09/2018
COMPANIES HOUSE

DESMO ENTERPRISES LIMITED**BALANCE SHEET****AS AT 30 DECEMBER 2017**

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets	3		13,235		9,750
Tangible assets	4		68,820		46,002
Current assets					
Stocks		253,498		218,654	
Debtors	5	632,677		731,218	
Cash at bank and in hand		64,299		162,767	
		<u>950,474</u>		<u>1,112,639</u>	
Creditors: amounts falling due within one year	6	<u>(916,411)</u>		<u>(1,001,128)</u>	
Net current assets			34,063		111,511
Total assets less current liabilities			<u>116,118</u>		<u>167,263</u>
Provisions for liabilities	7		<u>(5,437)</u>		<u>(5,274)</u>
Net assets			<u>110,681</u>		<u>161,989</u>
Capital and reserves					
Called up share capital	8	25,000		25,000	
Profit and loss reserves		85,681		136,989	
Total equity			<u>110,681</u>		<u>161,989</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

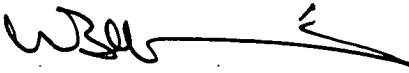
DESMO ENTERPRISES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 DECEMBER 2017

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 26/1/18 and are signed on its behalf by:



Mr William Waring
Director

DESMO ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 DECEMBER 2017

1 Accounting policies

Company information

Desmo Enterprises Limited is a private company limited by shares and is registered and incorporated in Northern Ireland. The registered office is C/O RSM Northern Ireland (UK) Limited, Number One, Lanyon Quay, Belfast, BT1 3LG. The company's business address is Unit 5 & 6, 1 Sloefield Drive, Carrickfergus, Northern Ireland, BT38 8GD.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Turnover

Turnover represents amounts receivable for goods net of VAT and trade discounts. Turnover is recognised once goods have been physically dispatched to customers.

Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents	10% straight line
---------	-------------------

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	
Plant and machinery	20% straight line
Fixtures, fittings & equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

DESMO ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2017

1 Accounting policies (Continued)

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Cost is calculated using the First In First Out method.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and cash held with banks.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from connected companies, are initially recognised at transaction price and subsequently carried at amortised cost, using the effective interest rate method.

DESMO ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 DECEMBER 2017

1 Accounting policies (Continued)

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

DESMO ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 DECEMBER 2017

1 Accounting policies (Continued)

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 24 (2016 - 25).

3 Intangible fixed assets

	Other £
Cost	
At 31 December 2016	40,000
Additions	4,910
	<hr/>
At 30 December 2017	44,910
	<hr/>
Amortisation and impairment	
At 31 December 2016	30,250
Amortisation charged for the year	1,425
	<hr/>
At 30 December 2017	31,675
	<hr/>
Carrying amount	
At 30 December 2017	13,235
	<hr/> <hr/>
At 30 December 2016	9,750
	<hr/> <hr/>

DESMO ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2017

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 31 December 2016	-	60,291	60,291
Additions	24,000	12,410	36,410
At 30 December 2017	24,000	72,701	96,701
Depreciation and impairment			
At 31 December 2016	-	14,289	14,289
Depreciation charged in the year	360	13,232	13,592
At 30 December 2017	360	27,521	27,881
Carrying amount			
At 30 December 2017	23,640	45,180	68,820
At 30 December 2016	-	46,002	46,002

5 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	350,687	431,522
Corporation tax recoverable	11,994	-
Other debtors	234,486	282,068
Prepayments and accrued income	35,510	17,628
	632,677	731,218

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	288,303	270,663
Corporation tax	15,894	11,994
Other taxation and social security	27,861	66,000
Other creditors	569,882	646,328
Accruals and deferred income	14,471	6,143
	916,411	1,001,128

DESMO ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 DECEMBER 2017

7 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	5,437	5,274

8 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
25,000 Ordinary shares of £1 each	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	21,547	-
Between one and five years	23,343	-
	<u>44,890</u>	<u>-</u>

10 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Royalties		Purchase of goods	
	2017 £	2016 £	2017 £	2016 £
Entities with control, joint control or significant influence over the company	33,203	-	-	77,454
	<u>33,203</u>	<u>-</u>	<u>-</u>	<u>77,454</u>
	Commissions payable		Recharges	
	2017 £	2016 £	2017 £	2016 £
Entities with control, joint control or significant influence over the company	-	245,993	103,973	151,964
	<u>-</u>	<u>245,993</u>	<u>103,973</u>	<u>151,964</u>

DESMO ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 DECEMBER 2017

10 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2017 £	2016 £
Amounts owed to related parties		
Entities with control, joint control or significant influence over the company	695,766	638,179

The following amounts were outstanding at the reporting end date:

	2017 Balance £
Amounts owed by related parties	
Entities with control, joint control or significant influence over the company	165,706

	2016 Balance £
Amounts owed in previous period	
Entities with control, joint control or significant influence over the company	165,706

The above includes related parties that have common ownership and party's that have a significant shareholding in the company. Balances are unsecured, non interest bearing and will be settled in cash. No guarantees have been given or received.

11 Directors' transactions

During the year, total advances of £12,000 were paid to the Directors. At the balance sheet date the Directors owed the company £31,781 (2016: £19,871).