

COMPANY REGISTRATION NUMBER: 01923947

Simmonsigs Limited
Filleted Financial Statements
30 June 2019

Simmons Limited
Statement of Financial Position

30 June 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	6	235,758	209,903
Current assets			
Stocks	7	948,930	696,568
Debtors	8	1,712,706	1,359,464
Cash at bank and in hand		64,519	2,109
		-----	-----
		2,726,155	2,058,141
Creditors: amounts falling due within one year	9	1,236,164	952,254
		-----	-----
Net current assets		1,489,991	1,105,887
		-----	-----
Total assets less current liabilities		1,725,749	1,315,790
Provisions			
Other provisions	11	12,000	12,000
		-----	-----
Net assets		1,713,749	1,303,790
		-----	-----
Capital and reserves			
Called up share capital	14	1,000	1,000
Profit and loss account	16	1,712,749	1,302,790
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Shareholders funds		1,713,749	1,303,790
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 21 February 2020 , and are signed on behalf of the board by:

P Simmons

Director

Company registration number: 01923947

Simmons Signs Limited

Notes to the Financial Statements

Year ended 30 June 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Stafford Park 5, Telford, Shropshire, TF3 3AS. The principal activity of the company continued to be that of the manufacture of road signs and other traffic products.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Rectification provision

A rectification provision is included in the accounts to cover the potential risk of faults in the company's existing product range. The provision included in the accounts is estimated by the directors based on current product mix and knowledge of the latest technology available.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.A7 of FRS 102: (a) No cash flow statement has been presented for the company. (b) No disclosure has been given for the aggregate remuneration of key management personnel.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. No significant judgements or estimates have been made.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	2% p.a. straight line basis
Plant & machinery	-	15% to 33.3% p.a. straight line basis
Fixtures, fittings & equipment	-	15% to 33.3% p.a. straight line basis

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 50 (2018: 56).

5. Tax on profit/(loss)

Major components of tax expense/(income)

	2019	2018
	£	£
Current tax:		
UK current tax income	(19,139)	(68,771)
Adjustments in respect of prior periods	30,633	—
	-----	-----
Total current tax	11,494	(68,771)
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Deferred tax:

Origination and reversal of timing differences	79,579	(46,795)
Impact of change in tax rate	—	6,674
	-----	-----
Total deferred tax	79,579	(40,121)
	-----	-----
Tax on profit/(loss)	91,073	(108,892)
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Reconciliation of tax expense/(income)

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK of 19 % (2018: 19 %).

	2019	2018
	£	£
Profit/(loss) on ordinary activities before taxation	501,032	(105,334)
	-----	-----
Profit/(loss) on ordinary activities by rate of tax	95,196	(20,013)
Adjustment to tax charge in respect of prior periods	30,633	(68,771)
Effect of expenses not deductible for tax purposes	3,038	2,430
Utilisation of tax losses	39,725	87,870
Provision tax adjustment	31,150	—
Effect of Change in Tax Rate	7,945	6,674
Patent Box Relief	—	(11,805)
R&D Claim	(116,614)	(105,277)
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Tax on profit/(loss)	91,073	(108,892)
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6. Tangible assets

	Land and buildings	Plant and machinery	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 July 2018	4,279	911,972	674,917	1,591,168
Additions	—	91,341	29,483	120,824
Disposals	—	(4,669)	—	(4,669)
	-----	-----	-----	-----
At 30 June 2019	4,279	998,644	704,400	1,707,323
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Depreciation				
At 1 July 2018	1,064	815,895	564,306	1,381,265
Charge for the year	86	42,664	47,550	90,300
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At 30 June 2019	1,150	858,559	611,856	1,471,565
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Carrying amount				
At 30 June 2019	3,129	140,085	92,544	235,758
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At 30 June 2018	3,215	96,077	110,611	209,903
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7. Stocks

	2019	2018
	£	£
Raw materials and consumables	860,918	611,577
Work in progress	44,210	23,577
Finished goods and goods for resale	43,802	61,414

948,930

696,568

8. Debtors

	2019	2018
	£	£
Trade debtors	927,591	662,283
Amounts owed by group undertakings	665,318	450,804
Deferred tax asset	41,592	121,171
Prepayments and accrued income	57,466	54,835
Corporation tax repayable	19,139	68,771
Other debtors	1,600	1,600
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	1,712,706	1,359,464
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9. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	241,861	123,527
Trade creditors	707,025	583,929
Accruals and deferred income	157,366	102,440
Social security and other taxes	101,235	108,862
Other creditors	28,677	33,496
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	1,236,164	952,254
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10. Contingencies

The company is party to a unlimited multilateral guarantee to its bankers in respect of this company and Salop Holdings Limited. At the balance sheet date £Nil was outstanding under this guarantee (2018 - £Nil).

11. Provisions

	Warranties
	£
At 1 July 2018 and 30 June 2019	12,000

12. Related party transactions

Under FRS 102 the company is exempt from disclosing transactions with fellow group companies on the basis that consolidated accounts are prepared which are publicly available

13. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2019	2018
	£	£
Included in debtors (note 8)	41,592	121,171
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The deferred tax account consists of the tax effect of timing differences in respect of:		
	2019	2018
	£	£
Unused tax losses	(41,592)	(121,171)
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14. Called up share capital

Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £ 1 each	1,000	1,000	1,000	1,000

15. Controlling parties

The ultimate parent undertaking and largest group to consolidate these financial statements is Salop Holdings Limited. This company is not under the control of any one person.

16. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

17. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	200,619	209,166
Later than 1 year and not later than 5 years	656,847	654,295
Later than 5 years	156,000	312,000
	<u>1,013,466</u>	<u>1,175,461</u>

18. Summary audit opinion

The auditor's report for the year dated 21 February 2020 was unqualified.

The senior statutory auditor was Philippa Hawkes BA CA , for and on behalf of BSN Associates Limited .

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.