

**SAUNDERS FOOTWEAR LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 28 FEBRUARY 2019**

STATEMENT OF FINANCIAL POSITION  
AS AT 28 FEBRUARY 2019

	Note	2019 £	2019 £	2018 £	2018 £
<b>FIXED ASSETS</b>					
Tangible assets	5		963		1,080
Investment property	6		1,041,219		1,041,219
			<u>1,042,182</u>		<u>1,042,299</u>
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	7	1,637		-	
Cash at bank and in hand	8	41,745		7,418	
		<u>43,382</u>		<u>7,418</u>	
Creditors: amounts falling due within one year	9	(47,544)		(41,982)	
		<u>(47,544)</u>		<u>(41,982)</u>	
<b>NET CURRENT LIABILITIES</b>			(4,162)		(34,564)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,038,020</u>		<u>1,007,735</u>
Creditors: amounts falling due after more than one year	10		(11,000)		(11,000)
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	11	(53,962)		(53,982)	
		<u>(53,962)</u>		<u>(53,982)</u>	
<b>NET ASSETS</b>			<u>973,058</u>		<u>942,753</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		3,000		3,000
Profit and loss account - non-distributable	13		911,014		911,014
Profit and loss account	13		59,044		28,739
			<u>973,058</u>		<u>942,753</u>

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 28 FEBRUARY 2019**

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The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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.

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 by:

**Mrs J A Dines**  
Director

Date: 29 October 2019

The notes on pages 3 to 9 form part of these financial statements.

## 1. GENERAL INFORMATION

The company is a limited liability company incorporated in England and Wales. The registered number of the company is 00470774. The registered office is Polkernow, 30 Bridge View, Wadebridge, Cornwall, PL27 6BZ.

## 2. ACCOUNTING POLICIES

### 2.1 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:

### 2.2 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.

### 2.3 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.

### 2.4 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income 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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**2. ACCOUNTING POLICIES (continued)**

**2.5 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	-	10%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**2.6 INVESTMENT PROPERTY**

Investment property is carried at fair value determined annually by external valuers 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.

**2.7 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.

**2.8 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.

**2.9 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. ACCOUNTING POLICIES (continued)**

**2.10 PROVISIONS FOR LIABILITIES**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**2.11 FINANCIAL INSTRUMENTS**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**2.12 DIVIDENDS**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3.**

**JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The valuation of the company's freehold and investment property is inherently subjective due to, among other factors, the individual nature of each property, its location and the expected future rental revenues from that particular property. As a result, the valuations are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility or low transaction flow in the property market. The carrying value at year end is £1,041,219 (2018: £1,041,219).

The properties are included in the balance sheet at directors' valuation. The directors believe that this valuation is not materially different from the value that would be applied by an independent professional valuer.

**4. EMPLOYEES**

The average monthly number of employees, including directors, during the year was 6 (2018: 6).

**5. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
<b>COST OR VALUATION</b>	
At 1 March 2018	4,194
At 28 February 2019	<u>4,194</u>
<b>DEPRECIATION</b>	
At 1 March 2018	3,114
Charge for the year on owned assets	117
At 28 February 2019	<u>3,231</u>
<b>NET BOOK VALUE</b>	
At 28 February 2019	<u>963</u>
At 28 February 2018	<u>1,080</u>

**6. INVESTMENT PROPERTY**

	Freehold investment property £
<b>VALUATION</b>	
At 1 March 2018	1,041,219
<b>AT 28 FEBRUARY 2019</b>	<u>1,041,219</u>

The 2019 valuations were made by the directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2019 £	2018 £
Historic cost	77,552	77,552
	<u>77,552</u>	<u>77,552</u>

**7. DEBTORS**

	2019 £	2018 £
Trade debtors	1,637	-
	<u>1,637</u>	<u>-</u>

**8. CASH AND CASH EQUIVALENTS**

	2019 £	2018 £
Cash at bank and in hand	<u>41,745</u>	<u>7,418</u>

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Corporation tax	9,243	8,058
Other taxation and social security	-	528
Other creditors	30,000	29,998
Accruals and deferred income	8,301	3,398
	<u>47,544</u>	<u>41,982</u>

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

	2019 £	2018 £
Share capital treated as debt	11,000	11,000
	<u>11,000</u>	<u>11,000</u>



**11. DEFERRED TAXATION**

	2019 £	2018 £
At beginning of year	(53,982)	(61,878)
Charged to profit or loss	20	7,896
<b>AT END OF YEAR</b>	<b><u>(53,962)</u></b>	<b><u>(53,982)</u></b>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	1,310	1,330
Capital gains	52,652	52,652
	<b><u>53,962</u></b>	<b><u>53,982</u></b>

**12. SHARE CAPITAL**

	2019 £	2018 £
<b>SHARES CLASSIFIED AS EQUITY</b>		
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
3,000 (2018: 3,000) Ordinary shares of £1.00 each	<b><u>3,000</u></b>	<b><u>3,000</u></b>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>SHARES CLASSIFIED AS DEBT</b>		
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
11,000 (2018: 11,000) Preference shares of £1.00 each	<b><u>11,000</u></b>	<b><u>11,000</u></b>

**13. RESERVES****PROFIT AND LOSS RESERVES - NON-DISTRIBUTABLE**

The profit and loss reserves - non-distributable balance at the year end is made up of £911,014 (2018: £911,014). This is in relation to revaluation gains on investment properties and associated provision for deferred tax.

**14. RELATED PARTY TRANSACTIONS**

During the year Saunders Footwear Ltd paid for services totalling £6,614 (2018: £1,165) from a business owned by a director.

At the year end, the directors were owed £30,000 ( 2018: £30,000)

**15. CONTROLLING PARTY**

Mr C N and Mrs E A Saunders (directors) are the company's ultimate controlling party by virtue of holding the majority of issued share capital.

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.