

COMPANY REGISTRATION NUMBER: 1670009

SMG F.S Limited
Filleted Unaudited Financial Statements
31 December 2018



SMG F.S Limited
Financial Statements
Year ended 31 December 2018

Contents	Page
Statement of financial position	1
Notes to the financial statements	3

SMG F.S Limited
Statement of Financial Position
31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	33,460	17,523
Current assets			
Debtors	6	641,782	255,027
Cash at bank and in hand		491,579	411,602
		<u>1,133,361</u>	<u>666,629</u>
Creditors: amounts falling due within one year	7	<u>451,764</u>	<u>402,827</u>
Net current assets		<u>681,597</u>	<u>263,802</u>
Total assets less current liabilities		<u>715,057</u>	<u>281,325</u>
Provisions			
Taxation including deferred tax		5,183	1,897
Net assets		<u><u>709,874</u></u>	<u><u>279,428</u></u>

The statement of financial position
continues on the following page.
The notes on pages 3 to 7 form part of these financial statements.

SMG F.S Limited

Statement of Financial Position *(continued)*

31 December 2018

	Note	2018 £	2017 £
Capital and reserves			
Called up share capital		102,000	102,000
Profit and loss account		<u>607,874</u>	<u>177,428</u>
Shareholders funds		<u>709,874</u>	<u>279,428</u>

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.

For the year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

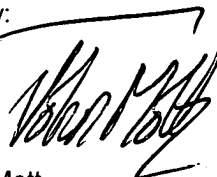
Directors' responsibilities:

- 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.

These financial statements were approved by the board of directors and authorised for issue on 18 September 2019, and are signed on behalf of the board by:



J.H. Green
Director



J.E. Mott
Director

Company registration number: 1670009

The notes on pages 3 to 7 form part of these financial statements.

SMG F.S Limited

Notes to the Financial Statements

Year ended 31 December 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 6A Harewood Yard, Harewood, Leeds, LS17 9LF.

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.

Trusts

The company has established trusts for the benefit of employees and persons connected with them. Monies held in these trusts are held by independent trustees and managed at their discretion. The trustees are empowered to provide both retirement and other employee benefits.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and are payable after completion of the employment, such monies are charged to the profit and loss account in the period during which services are rendered by employees.

Revenue recognition

Renewal Commission - Credit is taken for commission earned when the premium notice is issued to the client or, where no renewal notice is issued, the date the commission cheque is received or the commission amount is credited to the insurance bank.

New business - credit is taken on the commissions earned when cover commences. Provision is made for expected policy cancellations.

Commissions are adjusted to reflect under or overpayments as and when the settlement sums are received from the insurance company.

SMG F.S Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

3. Accounting policies *(continued)*

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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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:

Fixtures & Fittings	- 20% reducing balance
Equipment	- 20% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

SMG F.S Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

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. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

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 7 (2017: 6).

SMG F.S Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

5. Tangible assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 January 2018	21,809	30,423	52,232
Additions	909	26,038	26,947
Disposals	—	(19,296)	(19,296)
At 31 December 2018	22,718	37,165	59,883
Depreciation			
At 1 January 2018	15,103	19,606	34,709
Charge for the year	1,343	4,321	5,664
Disposals	—	(13,950)	(13,950)
At 31 December 2018	16,446	9,977	26,423
Carrying amount			
At 31 December 2018	6,272	27,188	33,460
At 31 December 2017	6,706	10,817	17,523

6. Debtors

	2018 £	2017 £
Trade debtors	43,866	27,082
Amounts owed by group undertakings and undertakings in which the company has a participating interest	575,617	203,425
Other debtors	22,299	24,520
	641,782	255,027

7. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	9,353	16,220
Corporation tax	231,001	199,893
Social security and other taxes	6,678	5,367
Other creditors	204,732	181,347
	451,764	402,827

8. Operating leases

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

	2018 £	2017 £
Later than 1 year and not later than 5 years	—	34,778

SMG F.S Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

9. Controlling party

The company is a wholly owned subsidiary of KDMG F.S Limited, a company incorporated in England and Wales.