

Specialised Covers Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2017

Fox Jennings Cullen
Accountants & Business Advisers
Tarn House
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Yeadon
Leeds
West Yorkshire
LS19 7SP

Specialised Covers Limited

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Specialised Covers Limited

Company Information

Directors	E J M Long
	C A Long
	D M Long
	K Fishwick
Company secretary	C A Long
Registered office	1 & 2 Riverdale House Dockfield Road Shipley West Yorkshire BD17 7AD
Accountants	Fox Jennings Cullen Accountants & Business Advisers Tarn House 77 High Street Yeadon Leeds West Yorkshire LS19 7SP

Specialised Covers Limited

(Registration number: 02237596)
Balance Sheet as at 31 March 2017

		2017	(As restated) 2016
	Note	£	£
Fixed assets			
Intangible assets	<u>3</u>	27,244	38,169
Tangible assets	<u>4</u>	181,090	185,257
		<u>208,334</u>	<u>223,426</u>
Current assets			
Stocks	<u>5</u>	188,837	207,935
Debtors	<u>6</u>	519,437	298,037
Cash at bank and in hand		418,181	316,106
		<u>1,126,455</u>	<u>822,078</u>
Creditors: Amounts falling due within one year	<u>7</u>	(689,405)	(580,702)
Net current assets		<u>437,050</u>	<u>241,376</u>
Total assets less current liabilities		645,384	464,802
Creditors: Amounts falling due after more than one year	<u>7</u>	-	(9,686)
Provisions for liabilities		<u>(39,584)</u>	<u>(44,685)</u>
Net assets		<u>605,800</u>	<u>410,431</u>
Capital and reserves			
Called up share capital		104	104
Profit and loss account		<u>605,696</u>	<u>410,327</u>
Total equity		<u>605,800</u>	<u>410,431</u>

The notes on pages 4 to 10 form an integral part of these financial statements.

Specialised Covers Limited

(Registration number: 02237596)

Balance Sheet as at 31 March 2017

For the financial year ending 31 March 2017 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 3 July 2017 and signed on its behalf by:

.....

K Fishwick

Director

The notes on pages 4 to 10 form an integral part of these financial statements.

Specialised Covers Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	15% reducing balance
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance
Office equipment	33% on cost

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Website development costs	33% on cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Specialised Covers Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Specialised Covers Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 56 (2016 - 55).

3 Intangible assets

	Internally generated software development costs £	Total £
Cost or valuation		
At 1 April 2016	53,453	53,453
Additions acquired separately	2,100	2,100
At 31 March 2017	55,553	55,553
Amortisation		
At 1 April 2016	15,284	15,284
Amortisation charge	13,025	13,025
At 31 March 2017	28,309	28,309
Carrying amount		
At 31 March 2017	27,244	27,244
At 31 March 2016	38,169	38,169

The sole intangible asset is the company's website.

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2016 - £Nil).

Specialised Covers Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 April 2016	137,755	14,014	237,000	388,769
Additions	15,811	-	18,482	34,293
Disposals	-	-	(9,850)	(9,850)
At 31 March 2017	153,566	14,014	245,632	413,212
Depreciation				
At 1 April 2016	88,836	6,979	107,697	203,512
Charge for the year	12,062	1,701	19,555	33,318
Eliminated on disposal	-	-	(4,708)	(4,708)
At 31 March 2017	100,898	8,680	122,544	232,122
Carrying amount				
At 31 March 2017	52,668	5,334	123,088	181,090
At 31 March 2016	48,919	7,035	129,303	185,257

5 Stocks

	2017 £	2016 £
Work in progress	26,899	36,899
Finished goods and goods for resale	161,938	171,036
	188,837	207,935

6 Debtors

	Note	2017 £	2016 £
Trade debtors		370,720	267,229
Amounts owed by group undertakings and undertakings in which the company has a participating interest	10	122,393	-
Other debtors		26,324	30,808
Total current trade and other debtors		519,437	298,037

Specialised Covers Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

7 Creditors

	Note	2017 £	2016 £
Due within one year			
Net obligations under finance leases and hire purchase contracts		9,686	45,038
Trade creditors		263,553	181,036
Taxation and social security		219,527	195,388
Other creditors		196,639	159,240
		<u>689,405</u>	<u>580,702</u>
Due after one year			
Loans and borrowings	8	<u>-</u>	<u>9,686</u>

8 Loans and borrowings

	2017 £	2016 £
Current loans and borrowings		
Finance lease liabilities	<u>9,686</u>	<u>45,038</u>
Non-current loans and borrowings		
Finance lease liabilities	<u>-</u>	<u>9,686</u>

Other borrowings

Hire purchase liability with a carrying amount of £9,686 (2016 - £54,724) is denominated in GBP with a nominal interest rate of 6.50%. The final instalment is due on 30 July 2017.

The hire purchase liability is secured upon the asset to which it relates.

9 Dividends

Interim dividends paid

	2017 £	2016 £
Interim dividend of £3,058.39 (2016 - £4,437.93) per each Ordinary share	318,073	461,544

10 Related party transactions

Specialised Covers Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

	Parent
2017	£
Advanced	122,393

Terms of loans to related parties

Specialised Car Covers Limited had a loan relationship with the company in the year. The loan is interest free and repayable on demand. The company paid dividends to the parent in the year in the amount of £318,073 (2016 - £461,544).

Loans from related parties

	Key management
2017	£
At start of period	31,952
Advanced	28,868
At end of period	60,820
	Key management
2016	£
Advanced	31,952

Terms of loans from related parties

During the year a loan relationship existed between the directors and the company, the liability for which is included in Other creditors. The loan is interest free and repayable on demand.

11 Parent and ultimate parent undertaking

The company's immediate parent is Specialised Car Covers Limited, incorporated in England and Wales.

These financial statements are available upon request from the registrar.

12 Transition to FRS 102

As part of the transition to FRS 102, the Website development costs are still in non-current assets but have changed classification from tangible to intangible. The estimates of useful life and residual value are unchanged. No other material reclassifications nor revaluations have resulted from the transition.

13 General information

The company is a private company limited by share capital incorporated in England and Wales.

Specialised Covers Limited

Notes to the Financial Statements for the Year Ended 31 March 2017

The address of its registered office is:

1 & 2 Riverdale House

Dockfield Road

Shipley

West Yorkshire

BD17 7AD

England

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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.