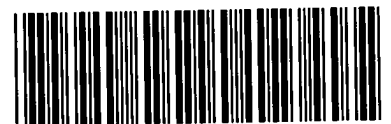


Company Registration No. 02237837 (England and Wales)

NORTHERN DESIGN (ELECTRONICS) LIMITED

**UNAUDITED ABBREVIATED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2016**

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NORTHERN DESIGN (ELECTRONICS) LIMITED**UNAUDITED ABBREVIATED BALANCE SHEET
AS AT 30 JUNE 2016**

		2016		2015	
	Notes	£	£	as restated £	£
Fixed assets					
Intangible assets	3		565,521		316,825
Tangible assets	3		130,917		195,038
			<u>696,438</u>		<u>511,863</u>
Current assets					
Stocks		300,499		373,895	
Debtors		591,451		417,345	
Cash at bank and in hand		8,215		57,644	
		<u>900,165</u>		<u>848,884</u>	
Creditors: amounts falling due within one year	4	(740,024)		(479,739)	
Net current assets			<u>160,141</u>		<u>369,145</u>
Total assets less current liabilities			<u>856,579</u>		<u>881,008</u>
Creditors: amounts falling due after more than one year	5		(63,803)		(67,551)
Provisions for liabilities			<u>(90,877)</u>		<u>-</u>
Net assets			<u><u>701,899</u></u>		<u><u>813,457</u></u>
Capital and reserves					
Called up share capital	6		19,900		19,900
Share premium account			89,100		89,100
Profit and loss account			<u>592,899</u>		<u>704,457</u>
Shareholders' funds			<u><u>701,899</u></u>		<u><u>813,457</u></u>

NORTHERN DESIGN (ELECTRONICS) LIMITED

**UNAUDITED ABBREVIATED BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2016**

For the financial year ended 30 June 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and 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 abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The abbreviated financial statements on pages 1 to 6 were approved by the board of directors and authorised for issue on 22 September 2017 and are signed on its behalf by:



Mrs J E A Szajdzicka
Director

NORTHERN DESIGN (ELECTRONICS) LIMITED

NOTES TO THE UNAUDITED ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015). The company's accounting reference date is 28 June.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Research and development

Research expenditure is written off in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the five year period during which the company is expected to benefit.

Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Not depreciated
Land and buildings Leasehold	4% straight line
Plant and machinery	20% straight line
Fixtures, fittings and equipment	20% straight line
Equipment	33% straight line

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Stock

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

NORTHERN DESIGN (ELECTRONICS) LIMITED

NOTES TO THE UNAUDITED ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2016

1 Accounting policies (Continued)

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised in the Statement of Total Recognised Gains and Losses on revaluations where at the balance sheet date there is an agreement to sell the asset.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries and associates only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary or associate.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as 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.

NORTHERN DESIGN (ELECTRONICS) LIMITED
NOTES TO THE UNAUDITED ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016

2 Prior period adjustment

Two adjustments have been identified and recognised in the 2015 comparative period. These adjustments have both arisen as a result of errors being identified; given the magnitude of each correction, they have been deemed fundamental enough to require a prior period adjustment in line with accounting standards:

Research and Development costs

During the prior year administrative expenses included £396,031 in research and development costs. The stated accounting policy, both now and at the time, is to capitalise such expenditure once the directors are satisfied of the technical, commercial and financial viability of the individual projects. After a detailed review of the projects in question and with reference to the requirements for capitalisation under accounting standards, these have been reclassified as intangible assets. The effect in the prior year has been to increase intangible fixed assets by £396,031 and to decrease administrative expenses by the same amount. Amortisation was then applied to the capitalised assets which amounted to £79,206 in 2015.

Stock

After a line by line review of the physical stock holding, certain errors were identified which traced back to the start of 2015. A prior period adjustment has been processed given the magnitude of the adjustment. The opening stock holding at the start of 2015 was reduced from £708,790 to £354,395. The adjustment of £354,395 reduced the opening reserves of the 2015 comparative period by this amount. The closing stock was originally stated as £747,790 in the 2015 accounts; this has reduced to £373,895 as the adjustment flowed through the year.

The tax impact of both adjustments has been reflected in the 2016 tax calculation.

3 Fixed assets

	Intangible assets £	Tangible assets £	Total £
Cost			
At 1 July 2015	396,031	949,833	1,345,864
Additions	390,076	12,066	402,142
At 30 June 2016	786,107	961,899	1,748,006
Depreciation			
At 1 July 2015	79,206	754,795	834,001
Charge for the year	141,380	76,187	217,567
At 30 June 2016	220,586	830,982	1,051,568
Net book value			
At 30 June 2016	565,521	130,917	696,438
At 30 June 2015	316,825	195,038	511,863

4 Creditors: amounts falling due within one year

The aggregate amount of creditors for which security has been given amounted to £112,360 (2015 - £0).

NORTHERN DESIGN (ELECTRONICS) LIMITED
NOTES TO THE UNAUDITED ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2016

5 Creditors: amounts falling due after more than one year

The aggregate amount of creditors for which security has been given amounted to £63,803 (2015 - £67,551).

6 Share capital	2016	2015
	£	£
Allotted, called up and fully paid		
10,000 A Ordinary of £1 each	10,000	10,000
9,900 B Ordinary of £1 each	9,900	9,900
	<u>19,900</u>	<u>19,900</u>
	<u><u>19,900</u></u>	<u><u>19,900</u></u>

The A Ordinary shares and B Ordinary shares are entitled to receive such dividend as shall be declared by the company. The dividends attaching to one class of share shall not necessarily be dependant on the dividends attaching to the other class.

The B Ordinary shares shall be entitled to one vote for every share held. The A Ordinary shares shall be entitled to ten votes for every share held except for matters effecting the rights of the B Ordinary shareholder in which case they shall be entitled to one vote for every share held.