

Drops Cycling Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 30 November 2018

KRW Accountants Ltd
The Mill
Pury Hill Business Park
Alderton Road
Towcester
NN12 7LS

Drops Cycling Ltd

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Drops Cycling Ltd

Company Information

Directors Mr Thomas James Varney
Mr Robert Varney

Registered office The Mill
Pury Hill Business Park
Alderton Road
Towcester
Northants
NN12 7LS

Accountants KRW Accountants Ltd
The Mill
Pury Hill Business Park
Alderton Road
Towcester
NN12 7LS

Drops Cycling Ltd

(Registration number: 10481910)
Balance Sheet as at 30 November 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	<u>4</u>	56,348	77,800
Current assets			
Debtors	<u>5</u>	71,695	18,654
Cash at bank and in hand		5,540	39,066
		<u>77,235</u>	<u>57,720</u>
Creditors: Amounts falling due within one year	<u>6</u>	<u>(177,258)</u>	<u>(294,868)</u>
Net current liabilities		<u>(100,023)</u>	<u>(237,148)</u>
Total assets less current liabilities		(43,675)	(159,348)
Creditors: Amounts falling due after more than one year	<u>6</u>	<u>(12,300)</u>	-
Net liabilities		<u>(55,975)</u>	<u>(159,348)</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>(56,075)</u>	<u>(159,448)</u>
Total equity		<u>(55,975)</u>	<u>(159,348)</u>

For the financial year ending 30 November 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 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.

The notes on pages 4 to 9 form an integral part of these financial statements.
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Drops Cycling Ltd

(Registration number: 10481910)
Balance Sheet as at 30 November 2018

Approved and authorised by the Board on 27 August 2019 and signed on its behalf by:

.....

Mr Robert Varney
Director

The notes on pages 4 to 9 form an integral part of these financial statements.
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Drops Cycling Ltd

Notes to the Financial Statements for the Year Ended 30 November 2018

1 General information

The company registration number is 10481910

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

The address of its registered office is:

The Mill
Pury Hill Business Park
Alderton Road
Towcester
Northants
NN12 7LS
United Kingdom

These financial statements were authorised for issue by the Board on 27 August 2019.

2 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.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have pledged their ongoing support to the company for the foreseeable future.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Drops Cycling Ltd

Notes to the Financial Statements for the Year Ended 30 November 2018

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
Motor Vehicles	25% straight line
Office Equipment	25% straight line

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. The company subsequently considers the recoverable value of the trade debtors. When assessing impairment of trade debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

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.

Drops Cycling Ltd

Notes to the Financial Statements for the Year Ended 30 November 2018

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the profit and loss account on a straight line basis.

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 15 (2017 - 7).

Drops Cycling Ltd

Notes to the Financial Statements for the Year Ended 30 November 2018

4 Tangible assets

	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation			
At 1 December 2017	61,582	42,150	103,732
Additions	5,975	-	5,975
At 30 November 2018	67,557	42,150	109,707
Depreciation			
At 1 December 2017	15,395	10,537	25,932
Charge for the year	16,889	10,538	27,427
At 30 November 2018	32,284	21,075	53,359
Carrying amount			
At 30 November 2018	35,273	21,075	56,348
At 30 November 2017	46,187	31,613	77,800

5 Debtors

	2018 £	2017 £
Trade debtors	70,679	8,897
Other debtors	1,016	9,757
	71,695	18,654

6 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	8	10,000	-
Trade creditors		33,371	62,690
Taxation and social security		2,563	629
Accruals and deferred income		1,200	-
Other creditors		130,124	231,549
		177,258	294,868

Drops Cycling Ltd

Notes to the Financial Statements for the Year Ended 30 November 2018

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	8	12,300	-

Notes to the Financial Statements for the Year Ended 30 November 2018

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100

8 Loans and borrowings

	2018	2017
	£	£
Non-current loans and borrowings		
Finance lease liabilities	12,300	-

	2018 £	2017 £
Current loans and borrowings		
Finance lease liabilities	10,000	-

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.