

Humphries (Redditch) Limited
Filleted Financial Statements
31 January 2018

BSN ASSOCIATES LIMITED

Chartered accountant & statutory auditor
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG



Humphries (Redditch) Limited

Financial Statements

Year ended 31 January 2018

Contents	Pages
Officers and professional advisers	1
Directors' responsibilities statement	2
Statement of financial position	3
Notes to the financial statements	4 to 10

Humphries (Redditch) Limited

Officers and Professional Advisers

The board of directors

Mr D W Humphries
Mrs C G Humphries
Mrs N F White

Company secretary

Mr D W Humphries

Registered office

30-32 Evesham Walk
Redditch
Worcestershire
B97 4HH

Auditor

BSN Associates Limited
Chartered accountant & statutory auditor
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Humphries (Redditch) Limited
Directors' Responsibilities Statement
Year ended 31 January 2018

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Humphries (Redditch) Limited

Statement of Financial Position

31 January 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	6	1,121,591	1,091,719
Current assets			
Stocks	7	1,158,965	1,191,762
Debtors	8	53,495	46,467
Cash at bank and in hand		120,017	130,319
		<u>1,332,477</u>	<u>1,368,548</u>
Creditors: amounts falling due within one year	9	<u>527,378</u>	<u>532,939</u>
Net current assets		<u>805,099</u>	<u>835,609</u>
Total assets less current liabilities		<u>1,926,690</u>	<u>1,927,328</u>
Creditors: amounts falling due after more than one year	10	–	66,701
Provisions			
Taxation including deferred tax	11	<u>18,899</u>	<u>12,274</u>
Net assets		<u><u>1,907,791</u></u>	<u><u>1,848,353</u></u>
Capital and reserves			
Called up share capital	14	30,000	30,000
Profit and loss account	15	<u>1,877,791</u>	<u>1,818,353</u>
Shareholders funds		<u><u>1,907,791</u></u>	<u><u>1,848,353</u></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.

These financial statements were approved by the board of directors and authorised for issue on 5 October 2018, and are signed on behalf of the board by:


Mr D W Humphries
Director

Company registration number: 00679198

Humphries (Redditch) Limited

Notes to the Financial Statements

Year ended 31 January 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 30-32 Evesham Walk, Redditch, Worcestershire, B97 4HH.

The principal activity of the company during the year was the retail of footwear.

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.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under FRS 102:

- No cash flow statement has been presented for the company.
- Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied, stated net of discounts and of Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

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.

Humphries (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2018

3. Accounting policies *(continued)*

Income tax *(continued)*

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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 20% straight line
----------	---------------------

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

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.

Humphries (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2018

3. Accounting policies *(continued)*

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:

Leasehold improvements	- 12% straight line
Fixtures and fittings	- 7.5% reducing balance and 33% straight line
Motor vehicles	- 25% reducing balance

Freehold property is not depreciated because it is the policy of the board to maintain properties in good condition with costs being charged to revenue as they are incurred. The estimated residual value of the premises would result in any depreciation charge being of little significance.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

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.

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 58 (2017: 56).

Humphries (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2018

5. Intangible assets

	Goodwill £
Cost	
At 1 February 2017 and 31 January 2018	<u>150,000</u>
Amortisation	
At 1 February 2017 and 31 January 2018	<u>150,000</u>
Carrying amount	
At 31 January 2018	<u>—</u>
At 31 January 2017	<u>—</u>

6. Tangible assets

	Freehold property £	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 February 2017	959,096	11,322	304,981	132,979	1,408,378
Additions	—	4,367	15,917	39,444	59,728
Disposals	—	—	—	(29,595)	(29,595)
At 31 January 2018	<u>959,096</u>	<u>15,689</u>	<u>320,898</u>	<u>142,828</u>	<u>1,438,511</u>
Depreciation					
At 1 February 2017	—	11,197	230,005	75,457	316,659
Charge for the year	—	444	8,346	16,317	25,107
Disposals	—	—	—	(24,846)	(24,846)
At 31 January 2018	<u>—</u>	<u>11,641</u>	<u>238,351</u>	<u>66,928</u>	<u>316,920</u>
Carrying amount					
At 31 January 2018	<u>959,096</u>	<u>4,048</u>	<u>82,547</u>	<u>75,900</u>	<u>1,121,591</u>
At 31 January 2017	<u>959,096</u>	<u>125</u>	<u>74,976</u>	<u>57,522</u>	<u>1,091,719</u>

7. Stocks

	2018 £	2017 £
Finished goods and goods for resale	<u>1,158,965</u>	<u>1,191,762</u>

8. Debtors

	2018 £	2017 £
Trade debtors	964	1,993
Prepayments and accrued income	<u>52,531</u>	<u>44,474</u>
	<u>53,495</u>	<u>46,467</u>

Humphries (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2018

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	39,992	68,532
Trade creditors	136,547	83,775
Accruals and deferred income	14,364	13,024
Corporation tax	11,814	21,378
Social security and other taxes	85,556	109,223
Director loan accounts	35,228	21,480
Other creditors	203,877	215,527
	<u>527,378</u>	<u>532,939</u>

The bank loans and overdraft are secured by a legal charge over the freehold premises of the company and by a fixed and floating charge over its assets.

10. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Bank loans and overdrafts	—	66,701

The bank loans and overdraft are secured by a legal charge over the freehold premises of the company and by a fixed and floating charge over its assets.

All bank loans are repayable within 5 years.

11. Provisions

	Deferred tax (note 12)
	£
At 1 February 2017	12,274
Additions	6,625
At 31 January 2018	<u>18,899</u>

12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018	2017
	£	£
Included in provisions (note 11)	<u>18,899</u>	<u>12,274</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Accelerated capital allowances	<u>18,899</u>	<u>12,274</u>

Humphries (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2018

13. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £1,749 (2017: £1,592).

14. Called up share capital

Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	20,666	20,666	20,666	20,666
Ordinary B shares of £1 each	9,334	9,334	9,334	9,334
	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>

The Ordinary shares of £1 each carry equal voting and dividend rights. The B Ordinary shares carry no voting and dividend entitlement rights.

15. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

Called up share capital - This reserve records the value of the shares held.

16. Operating leases

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

	2018	2017
	£	£
Not later than 1 year	112,500	112,500
Later than 1 year and not later than 5 years	196,875	309,375
	<u>309,375</u>	<u>421,875</u>

17. Summary audit opinion

The auditor's report for the year dated 5 October 2018 was unqualified.

The senior statutory auditor was Hannah Justice ACA FCCA, for and on behalf of BSN Associates Limited.

Humphries (Redditch) Limited

Notes to the Financial Statements *(continued)*

Year ended 31 January 2018

18. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2018		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr D W Humphries	(21,480)	(12,248)	(33,728)
Mrs C G Humphries	—	(1,500)	(1,500)
	<u>(21,480)</u>	<u>(13,748)</u>	<u>(35,228)</u>

	2017		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mr D W Humphries	(17,680)	(3,800)	(21,480)
Mrs C G Humphries	—	—	—
	<u>(17,680)</u>	<u>(3,800)</u>	<u>(21,480)</u>

During the year Mr D W Humphries, a director, was paid interest of £1,063 (2017: £1,000) for the money owed to him of £33,728 (2017: £21,480) by the company. Mr D W Humphries also received a dividend of £12,000 (2017: £12,000) and rental income of £2,500 (2017: £1,000) from the company.

At the year end Mrs C G Humphries, a director, was owed £1,500 (2017: £Nil) by the company. During the year Mrs C G Humphries received rental income of £2,500 (2017: £1,000) from the company.

19. Related party transactions

During the year Mr N J Humphries, a shareholder, received a dividend of £342 (2017: £342). At the year end the company owed Mr N J Humphries £342 (2017: £984).

During the year Mr H W Humphries, a shareholder, was paid interest of £9,625 (2017: £9,750) for the money owed to him of £201,284 (2017: £195,784) by the company. Mr H W Humphries also received a dividend of £8,000 (2017: £8,000) from the company. Mr H W Humphries was also charged £7,200 (2017: £7,200) for rental of premises owned by the company.

20. Controlling party

The directors consider that Mr D W Humphries controls the company.