

Company Registration No. 09357235 (England and Wales)

POTTING SHED TRADING LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018
PAGES FOR FILING WITH REGISTRAR

POTTING SHED TRADING LIMITED

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POTTING SHED TRADING LIMITED**BALANCE SHEET****AS AT 31 JULY 2018**

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Intangible assets	4		46,087		37,679
Tangible assets			5,245,417		6,013,927
Investments	5		106		103
			<u>5,291,610</u>		<u>6,051,709</u>
Current assets					
Stocks		178,136		68,490	
Debtors	6	603,997		995,111	
Cash at bank and in hand		161,758		236,491	
		<u>943,891</u>		<u>1,300,092</u>	
Creditors: amounts falling due within one year	7	<u>(5,901,053)</u>		<u>(6,931,150)</u>	
Net current liabilities			<u>(4,957,162)</u>		<u>(5,631,058)</u>
Total assets less current liabilities			<u>334,448</u>		<u>420,651</u>
Provisions for liabilities			<u>(103,171)</u>		<u>(103,171)</u>
Net assets			<u><u>231,277</u></u>		<u><u>317,480</u></u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss reserves			231,177		317,380
Total equity			<u><u>231,277</u></u>		<u><u>317,480</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

POTTING SHED TRADING LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2018

The financial statements were approved by the board of directors and authorised for issue on 30 April 2019 and are signed on its behalf by:

Mr J Peers
Director

Company Registration No. 09357235

POTTING SHED TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

Company information

Potting Shed Trading Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Leeming Building, Ludgate Hill, Leeds, West Yorkshire, LS2 7HZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources, with the support of its parent company, to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	20% straight line
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1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

POTTING SHED TRADING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2018****1 Accounting policies****(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings freehold	2% straight line
Land and buildings leasehold	10% straight line
Plant and machinery	20% straight line
Fixtures, fittings & equipment	20% straight line
Computer equipment	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

POTTING SHED TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies **(Continued)**

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

POTTING SHED TRADING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2018****1 Accounting policies****(Continued)****Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2 Exceptional costs

	2018	2017
	£	£
Exceptional items	614,642	-
	<u>614,642</u>	<u>-</u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 0 (2017 - 0).

POTTING SHED TRADING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2018****4 Intangible fixed assets**

	Software
	£
Cost	
At 1 August 2017	43,667
Additions - separately acquired	15,300
	<u>58,967</u>
At 31 July 2018	58,967
Amortisation and impairment	
At 1 August 2017	5,988
Amortisation charged for the year	6,892
	<u>12,880</u>
At 31 July 2018	12,880
Carrying amount	
At 31 July 2018	46,087
	<u><u>37,679</u></u>
At 31 July 2017	<u><u>37,679</u></u>

5 Fixed asset investments

	2018	2017
	£	£
Investments	106	103
	<u><u>106</u></u>	<u><u>103</u></u>

Movements in fixed asset investments

	Shares in group
	undertakings
	£
Cost or valuation	
At 1 August 2017	103
Additions	3
	<u>106</u>
At 31 July 2018	106
Carrying amount	
At 31 July 2018	106
	<u><u>103</u></u>
At 31 July 2017	<u><u>103</u></u>

POTTING SHED TRADING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2018**

6 Debtors	2018	2017
Amounts falling due within one year:	£	£
Trade debtors	5,282	557,337
Other debtors	230,457	260,039
Prepayments and accrued income	353,800	163,277
	<u>589,539</u>	<u>980,653</u>
Deferred tax asset	14,458	14,458
	<u>603,997</u>	<u>995,111</u>
	<u><u>603,997</u></u>	<u><u>995,111</u></u>
7 Creditors: amounts falling due within one year	2018	2017
	£	£
Trade creditors	1,199,277	653,436
Amounts due to group undertakings	4,506,599	6,175,765
Other taxation and social security	3,949	746
Other creditors	159,128	6,690
Accruals and deferred income	32,100	94,513
	<u>5,901,053</u>	<u>6,931,150</u>
	<u><u>5,901,053</u></u>	<u><u>6,931,150</u></u>
8 Called up share capital	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary of £1 each	100	100
	<u>100</u>	<u>100</u>
	<u><u>100</u></u>	<u><u>100</u></u>
9 Financial commitments, guarantees and contingent liabilities		
Metro Bank Plc hold fixed and floating charges over property owned by the company.		
10 Operating lease commitments		
Lessee		
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:		
	2018	2017
	£	£
Total commitments	145,444	1,779,875
	<u>145,444</u>	<u>1,779,875</u>
	<u><u>145,444</u></u>	<u><u>1,779,875</u></u>

POTTING SHED TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

11 Parent company

The company's parent undertaking is Ormsborough Limited. The registered office and principal place of business is 4th Floor, Sovereign House, 1-2 South Parade, Leeds, West Yorkshire, LS1 5QL.

