

Company registration number: NI070684

Danmade Limited

Filleted financial statements

31 March 2019

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Directors responsibilities statement

Year ended 31st March 2019

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; and
- 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.

Danmade Limited

Statement of financial position

31st March 2019

		2019		2018	
	Note	£	£	£	£
Fixed assets					
Intangible assets	5	-		-	
Tangible assets	6	3,152		3,167	
			3,152		3,167
Current assets					
Stocks		84,689		71,093	
Debtors	7	25,566		19,773	
Cash at bank and in hand		32,953		18,208	
		143,208		109,074	
Creditors: amounts falling due within one year					
	8	(302,098)		(297,421)	
Net current liabilities					
			(158,890)		(188,347)
Total assets less current liabilities					
			(155,738)		(185,180)
Provisions for liabilities					
			(94)		(133)
Net liabilities					
			(155,832)		(185,313)
Capital and reserves					
Called up share capital			1		1
Profit and loss account			(155,833)		(185,314)
Shareholders deficit					
			(155,832)		(185,313)

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 comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 10 December 2019 , and are signed on behalf of the board by:

Mr Mark Mc Keever Mr Kevin Mc Keever

Director Director

Company registration number: NI070684

Danmade Limited

Notes to the financial statements

Year ended 31st March 2019

1. General information

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is Danmade Limited, 89 Dowland Road, Aghanloo, Limavady, Co. Londonderry, BT49 0HR.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and 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.

Turnover

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

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership 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.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. 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.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to profit or loss.

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:

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 are 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 capital and reserves, 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 capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

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:

Plant and machinery	-	20 %	reducing balance
Fittings fixtures and equipment	-	20 %	reducing balance

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

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

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 stocks to their 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 in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 2 (2018: 2).

5. Intangible assets

	Goodwill	Total
	£	£
Cost		
At 1st April 2018 and 31st March 2019	445,267	445,267
Amortisation		
At 1st April 2018 and 31st March 2019	445,267	445,267
Carrying amount		
At 31st March 2019	-	-
At 31st March 2018	-	-

6. Tangible assets

	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1st April 2018	4,884	6,388	11,272
Additions	773	-	773
At 31st March 2019	5,657	6,388	12,045
Depreciation			
At 1st April 2018	3,521	4,584	8,105
Charge for the year	427	361	788
At 31st March 2019	3,948	4,945	8,893
Carrying amount			
At 31st March 2019	1,709	1,443	3,152
At 31st March 2018	1,363	1,804	3,167

7. Debtors

	2019	2018
	£	£
Trade debtors	11,001	7,351
Other debtors	14,565	12,422
	<u>25,566</u>	<u>19,773</u>

8. Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loans and overdrafts	1,330	2,120
Trade creditors	46,462	31,691
Amounts owed to group undertakings and undertakings in which the company has a participating interest	239,036	255,479
Corporation tax	6,954	5,129
Other creditors	8,316	3,002
	<u>302,098</u>	<u>297,421</u>

9. Summary audit opinion

The auditor's report for the year dated 10 December 2019 was unqualified.

The senior statutory auditor was Owen McLaughlin for and on behalf of Donaldson & Thompson

10. Ethical standards

In common with many other businesses of our size and nature, we use our auditors to prepare and submit returns to HM Revenue & Customs and assist with the preparation of the financial statements.

11. Controlling party

The company's controlling party is considered to be the board of directors of Drenagh Sawmills Limited. Drenagh Sawmills Limited is the ultimate holding company.

12. Going concern

The accounts have been prepared on the going concern basis. At the year end the company had net liabilities of £155,832. The directors have confirmed that the parent company, Drenagh Sawmills Ltd, will continue to make available sufficient funds to enable Danmade Ltd, to continue to trade for a period of at least 12 months from the date of approval of the financial statements.