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**DISTRICT AND MODERN STORES LIMITED**

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**UNAUDITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 30 JUNE 2020**

DISTRICT AND MODERN STORES LIMITED  
REGISTERED NUMBER: 04792323

BALANCE SHEET  
AS AT 30 JUNE 2020

|  | Note | 2020<br>£      | 2019<br>£      |
|--|------|----------------|----------------|
| <b>Fixed assets</b>                            |      |                |                |
| Intangible assets                              | 5    | 1              | 1              |
| Tangible assets                                | 6    | 9,737          | 14,352         |
|  |      | <u>9,738</u>   | <u>14,353</u>  |
| <b>Current assets</b>                          |      |                |                |
| Stocks   |      | 85,300         | 94,819         |
| Debtors  | 7    | 42,744         | 34,561         |
| Cash at bank and in hand                       | 8    | 98,191         | 33,197         |
|  |      | <u>226,235</u> | <u>162,577</u> |
| Creditors: amounts falling due within one year | 9    | (69,337)       | (50,736)       |
| <b>Net current assets</b>                      |      | <u>156,898</u> | <u>111,841</u> |
| <b>Total assets less current liabilities</b>   |      | <u>166,636</u> | <u>126,194</u> |
| <b>Net assets</b>                              |      |                |                |
|  |      | <u>166,636</u> | <u>126,194</u> |
| <b>Capital and reserves</b>                    |      |                |                |
| Called up share capital                        |      | 100            | 100            |
| Profit and loss account                        |      | 166,536        | 126,094        |
|  |      | <u>166,636</u> | <u>126,194</u> |

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**DISTRICT AND MODERN STORES LIMITED**  
**REGISTERED NUMBER: 04792323**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 30 JUNE 2020**

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The Director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**M Gay**  
Director

Date: 18 November 2020

The notes on pages 3 to 8 form part of these financial statements.

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DISTRICT AND MODERN STORES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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**1. General information**

District and Modern Stores Limited is a company limited by shares and incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the company information page. The nature of the Company's operations and its principal activities are set out in the Directors' report.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Going concern**

The COVID-19 (coronavirus) pandemic has had an increasingly significant effect on individuals, businesses and organisations worldwide, including District and Modern Ltd. The outbreak came into widespread public knowledge in 2020. The Directors have taken all necessary measures to satisfy themselves that the Company will continue to be able to operate throughout the current lockdown conditions and beyond. Therefore, the Company is considered to be a going concern and no adjustments have been made to the figures in these financial statements.

The Directors have considered the effect on the value of the assets and liabilities of the Company since the balance sheet date, as well as actual and expected future income and expenditure, cash flow requirements and the Company's ability to continue as a going concern. They have taken steps to protect the workforce and the business, including its cash flow, so as to be able to maintain liquidity given that the effects of the current crisis are likely to last for several months.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;

effective control over the goods sold;

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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DISTRICT AND MODERN STORES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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2. Accounting policies (continued)

2.4 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.5 Intangible assets

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and Loss Account over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a straight line basis and a reducing balance basis.

Depreciation is provided on the following basis:

|                     |                        |
|---------------------|------------------------|
| Leasehold Property  | - Over 5 years         |
| Plant & machinery   | - 25% Reducing Balance |
| Motor vehicles      | - Over 5 years         |
| Fixtures & fittings | - 25% Reducing Balance |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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DISTRICT AND MODERN STORES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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**2. Accounting policies (continued)**

**2.7 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.8 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.11 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates.

**4. Employees**

The average monthly number of employees, including directors, during the year was 2 (2019 - 2).

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DISTRICT AND MODERN STORES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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5. Intangible assets

|                       | Goodwill        |
|-----------------------|-----------------|
|                       | £               |
| <b>Cost</b>           |                 |
| At 1 July 2019        | 55,000          |
| At 30 June 2020       | <u>55,000</u>   |
| <b>Amortisation</b>   |                 |
| At 1 July 2019        | 54,999          |
| At 30 June 2020       | <u>54,999</u>   |
| <b>Net book value</b> |                 |
| At 30 June 2020       | <u><u>1</u></u> |



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DISTRICT AND MODERN STORES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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6. Tangible fixed assets

|                                     | Leasehold<br>Property | Motor vehicles | Fixtures &<br>fittings | Total         |
|-------------------------------------|-----------------------|----------------|------------------------|---------------|
|                                     | £                     | £              | £                      | £             |
| <b>Cost or valuation</b>            |                       |                |                        |               |
| At 1 July 2019                      | 6,868                 | 20,984         | 16,332                 | 44,184        |
| At 30 June 2020                     | <u>6,868</u>          | <u>20,984</u>  | <u>16,332</u>          | <u>44,184</u> |
| <b>Depreciation</b>                 |                       |                |                        |               |
| At 1 July 2019                      | 6,120                 | 7,554          | 16,158                 | 29,832        |
| Charge for the year on owned assets | 374                   | 4,197          | 44                     | 4,615         |
| At 30 June 2020                     | <u>6,494</u>          | <u>11,751</u>  | <u>16,202</u>          | <u>34,447</u> |
| <b>Net book value</b>               |                       |                |                        |               |
| At 30 June 2020                     | <u>374</u>            | <u>9,233</u>   | <u>130</u>             | <u>9,737</u>  |
| <i>At 30 June 2019</i>              | <u>748</u>            | <u>13,430</u>  | <u>174</u>             | <u>14,352</u> |

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DISTRICT AND MODERN STORES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

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7. Debtors

|                                | 2020<br>£     | 2019<br>£     |
|--------------------------------|---------------|---------------|
| Trade debtors                  | 16,495        | 19,061        |
| Other debtors                  | 12,838        | -             |
| Prepayments and accrued income | 13,411        | 15,500        |
|                                | <u>42,744</u> | <u>34,561</u> |

8. Cash and cash equivalents

|                          | 2020<br>£     | 2019<br>£     |
|--------------------------|---------------|---------------|
| Cash at bank and in hand | 98,191        | 33,197        |
|                          | <u>98,191</u> | <u>33,197</u> |

9. Creditors: Amounts falling due within one year

|                                    | 2020<br>£     | 2019<br>£     |
|------------------------------------|---------------|---------------|
| Trade creditors                    | 42,186        | 37,474        |
| Corporation tax                    | 11,401        | -             |
| Other taxation and social security | 13,933        | 11,201        |
| Other creditors                    | 67            | 311           |
| Accruals and deferred income       | 1,750         | 1,750         |
|                                    | <u>69,337</u> | <u>50,736</u> |

## DISTRICT AND MODERN STORES LIMITED Financial Accounts 2020-06-30

A Director is a majority shareholder of a related Company.

At the year end District and Modern Stores Limited owed the related company £1,597 (2019: £nil), included in other creditors.



