

COMPANY REGISTRATION NUMBER: 06166370

Shermark Enterprises Limited
Filleted Unaudited Financial Statements
For the year ended
29 September 2017



Shermark Enterprises Limited

Financial Statements

Year ended 29 September 2017

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Shermark Enterprises Limited

Officers and Professional Advisers

The board of directors

Mrs S A Mead
Mr M S Mead
Mr J M Mead
Mrs L S Evans

Company secretary

Mr M S Mead

Registered office

2 Oldfield Road
Bocam Park
Bridgend
CF35 5LJ

Accountants

Clay Shaw Thomas Ltd
Chartered accountant
2 Oldfield Road
Bocam Park
Bridgend
CF35 5LJ

Bankers

Allied Irish Bank (GB)
2 Callaghan Square
Cardiff
CF10 5AZ

Shermark Enterprises Limited

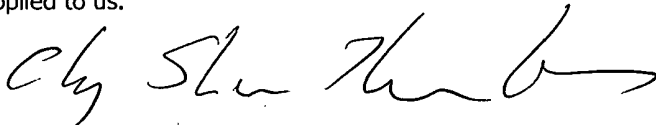
Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Shermark Enterprises Limited

Year ended 29 September 2017

As described on the statement of financial position, the directors of the company are responsible for the preparation of the financial statements for the year ended 29 September 2017, which comprise the statement of financial position and the related notes.

You consider that the company is exempt from an audit under the Companies Act 2006.

In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.



CLAY SHAW THOMAS LTD
Chartered accountant

2 Oldfield Road
Bocam Park
Bridgend
CF35 5LJ

18/6/2018

Shermark Enterprises Limited

Statement of Financial Position

29 September 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	5	630,000	720,000
Tangible assets	6	<u>1,107,386</u>	<u>1,080,171</u>
		1,737,386	1,800,171
Current assets			
Stocks		59,357	412
Debtors	7	889,811	880,909
Cash at bank and in hand		<u>92,559</u>	<u>60,455</u>
		1,041,727	941,776
Creditors: amounts falling due within one year	8	<u>1,083,499</u>	<u>1,181,158</u>
Net current liabilities		41,772	239,382
Total assets less current liabilities		1,695,614	1,560,789
Provisions			
Taxation including deferred tax		<u>6,479</u>	<u>1,377</u>
Net assets		<u>1,689,135</u>	<u>1,559,412</u>

The statement of financial position
continues on the following page.

The notes on pages 5 to 10 form part of these financial statements.

Shermark Enterprises Limited

Statement of Financial Position *(continued)*

29 September 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		102	102
Profit and loss account		1,689,033	1,559,310
Shareholders funds		1,689,135	1,559,412

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.

For the year ending 29 September 2017 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on ~~16/5/2018~~, and are signed on behalf of the board by:



Mr J M Mead
Director

Company registration number: 06166370

The notes on pages 5 to 10 form part of these financial statements.

Shermark Enterprises Limited

Notes to the Financial Statements

Year ended 29 September 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 2 Oldfield Road, Bocam Park, Bridgend, CF35 5LJ.

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 measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 30 September 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

Revenue recognition

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax.

Turnover relates to the principal activity of the company being the running of a caravan and leisure park.

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.

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.

Shermark Enterprises Limited

Notes to the Financial Statements *(continued)*

Year ended 29 September 2017

3. Accounting policies *(continued)*

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 - 10% 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.

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	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Computer equipment	- 25% reducing balance

Freehold Property - 2% of cost less residual value. As cost is equal to residual value no depreciation has been charged within the financial statements.

Impairment of fixed assets

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.

For the purposes of impairment testing, 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 largely independent of the cash inflows from other assets or groups of assets.

Shermark Enterprises Limited

Notes to the Financial Statements *(continued)*

Year ended 29 September 2017

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

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.

Employee benefit trusts

The company has purchased a trust for the benefit of employees and certain of their dependants. Monies held in this trust are held by independent trustees and managed at their discretion.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

Shermark Enterprises Limited

Notes to the Financial Statements *(continued)*

Year ended 29 September 2017

4. Employee numbers

The average number of persons employed by the company during the year amounted to 7 (2016: 7).

5. Intangible assets

	Goodwill £
Cost	
At 30 September 2016 and 29 September 2017	900,000
Amortisation	
At 30 September 2016	180,000
Charge for the year	90,000
At 29 September 2017	270,000
Carrying amount	
At 29 September 2017	630,000
At 29 September 2016	720,000

6. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost						
At 30 Sep 2016	1,073,286	27,200	745	22,365	4,476	1,128,072
Additions	–	4,672	–	27,314	420	32,406
At 29 Sep 2017	1,073,286	31,872	745	49,679	4,896	1,160,478
Depreciation						
At 30 Sep 2016	–	24,414	268	20,126	3,093	47,901
Charge for the year	–	1,242	119	3,405	425	5,191
At 29 Sep 2017	–	25,656	387	23,531	3,518	53,092
Carrying amount						
At 29 Sep 2017	1,073,286	6,216	358	26,148	1,378	1,107,386
At 29 Sep 2016	1,073,286	2,786	477	2,239	1,383	1,080,171

7. Debtors

	2017 £	2016 £
Trade debtors	4,537	30,269
Amounts owed by group undertakings and undertakings in which the company has a participating interest	493,548	397,329
Other debtors	391,726	453,311
	889,811	880,909

Shermark Enterprises Limited

Notes to the Financial Statements *(continued)*

Year ended 29 September 2017

8. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	41,696	25,948
Amounts owed to group undertakings	128,417	225,967
Accruals and deferred income	415,913	391,661
Corporation tax	81,384	43,580
Social security and other taxes	3,141	14,078
Director loan accounts	397,895	465,394
Net wages	7,013	7,778
Other creditors - ERFBS	6,730	6,730
Other creditors	1,310	22
	<u>1,083,499</u>	<u>1,181,158</u>

9. Contingent liability

The company have entered into negotiations with HMRC to settle a tax liability in connection with contributions made to an employer-financed unapproved retirement benefit scheme (EFURBS). The company has provided for a liability of £75,000 representing the corporation tax repayable on the contributions made. However as at the year end no agreement has been made with HMRC in respect of any additional tax liabilities that may be incurred. The company has assessed that a liability exists but are unable to accurately quantify this figure until the negotiations have been concluded. Therefore there is a contingent liability which exists at the year end.

10. Directors' advances, credits and guarantees

Included in the accounts are the following transactions with the directors:

	2017
	£
Opening balance as at 30 September 2016	(68,000)
Money introduced	68,000
Closing balance as at 29 September 2017	<u>-</u>

11. Related party transactions

Shermark Enterprises Limited is a 100% subsidiary of Shermark Holdings Limited, and as such has taken advantage of the exemption stated in FRS 102 which does not require the disclosure of transactions between group companies if at least 100% of the voting rights are controlled within the group.

12. Controlling party

The ultimate parent company is Shermark Holdings Limited, a company registered in United Kingdom.

The ultimate controlling party was Mr M S Mead & Mrs S A Mead who own 99.99% of the issued share capital of Shermark Holdings Limited.

Shermark Enterprises Limited

Notes to the Financial Statements *(continued)*

Year ended 29 September 2017

13. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 30 September 2015.

Reconciliation of equity

	30 September 2015			29 September 2016		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	1,892,466	–	1,892,466	1,800,171	–	1,800,171
Current assets	256,421	763,041	1,019,462	536,994	404,782	941,776
Creditors: amounts falling due within one year	(597,536)	(763,041)	(1,360,577)	(776,376)	(404,782)	(1,181,158)
Net current liabilities	(341,115)	–	(341,115)	(239,382)	–	(239,382)
Total assets less current liabilities	1,551,351	–	1,551,351	1,560,789	–	1,560,789
Provisions	(1,836)	–	(1,836)	(1,377)	–	(1,377)
Net assets	1,549,515	–	1,549,515	1,559,412	–	1,559,412
Capital and reserves	1,549,515	–	1,549,515	1,559,412	–	1,559,412

Upon transition the balance of £404,782 in creditor greater than one year has been reclassified as less than one year, as there are no terms agreed.