

Company Registration No. 8000021 (England and Wales)

**REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY
LIMITED**

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

PAGES FOR FILING WITH REGISTRAR

REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY LIMITED

COMPANY INFORMATION

Directors	Mrs L Gillespie Mrs C Rippon
Company number	8000021
Registered office	Ramside Hall Hotel Carrville Durham DH1 1TD
Accountants	Haines Watts Sterling House 22 St Cuthberts Way Darlington Co Durham

REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY LIMITED

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REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY LIMITED

BALANCE SHEET

AS AT 31 MAY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets			-		6,000
Tangible assets	4		20,584		23,792
Current assets					
Stocks		9,053		6,122	
Debtors	5	24,572		33,296	
Cash at bank and in hand		717		-	
		<u>34,342</u>		<u>39,418</u>	
Creditors: amounts falling due within one year	6	<u>(35,022)</u>		<u>(58,074)</u>	
Net current liabilities			(680)		(18,656)
Total assets less current liabilities			19,904		11,136
Creditors: amounts falling due after more than one year	7		(24,656)		(14,687)
Net liabilities			<u>(4,752)</u>		<u>(3,551)</u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss reserves			(4,754)		(3,553)
Total equity			<u>(4,752)</u>		<u>(3,551)</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 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act 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.

**REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY
LIMITED**

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2017

The financial statements were approved by the board of directors and authorised for issue on 26 February 2018 and are signed on its behalf by:

Mrs L Gillespie
Director

Company Registration No. 8000021

REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

Company information

Reef Salons Limited formally known as Reef Hair & Beauty Limited is a private company limited by shares incorporated in England and Wales. The registered office is Ramside Hall Hotel, Carrville, Durham, DH1 1TD.

1.1 Accounting convention

These financial statements for the year ended 31 May 2017 are the first financial statements of Reef Salons Limited formally known as Reef Hair & Beauty Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover represents amounts receivable for services net of VAT.

Revenue from contracts for the provision of professional services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract.

Revenue for the sale of goods is recognised upon delivery.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.4 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.

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:

Fixtures, fittings & equipment	15% Reducing balance
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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.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

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

1.6 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.

1.7 Short term debtors and creditors

Short term debtors and creditors with no stated interest rate are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

1.8 Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

1.9 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.10 Taxation

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

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 balances are recognised in respect of timing differences that have originated but not reversed by the balance sheet date.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

1 Accounting policies

(Continued)

1.12 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 except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 10 (2016 - 11).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 June 2016 and 31 May 2017	30,000
Amortisation and impairment	
At 1 June 2016	24,000
Amortisation charged for the year	6,000
At 31 May 2017	30,000
Carrying amount	
At 31 May 2017	-
At 31 May 2016	6,000

REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 June 2016	32,569
Additions	391
At 31 May 2017	32,960
Depreciation and impairment	
At 1 June 2016	8,775
Depreciation charged in the year	3,601
At 31 May 2017	12,376
Carrying amount	
At 31 May 2017	20,584
At 31 May 2016	23,792

5 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Corporation tax recoverable	716	716
Other debtors	23,856	32,580
	24,572	33,296

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	5,102	21,329
Trade creditors	2,690	4,178
Other taxation and social security	9,587	4,154
Other creditors	17,643	28,413
	35,022	58,074

REEF SALONS LIMITED FORMALLY KNOWN AS REEF HAIR & BEAUTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2017

7 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	17,122	-
Other creditors	7,534	14,687
	<u>24,656</u>	<u>14,687</u>

8 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

9 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:

	2017 £	2016 £
	50,000	81,667

10 Directors' transactions

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
L Gillespie	-	9,655	27,948	(25,329)	12,274
C Rippon	-	9,655	29,607	(27,679)	11,583
		<u>19,310</u>	<u>57,555</u>	<u>(53,008)</u>	<u>23,857</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.