Company Registration No. 8000021 (England and Wales)

REEF SALONS LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

PAGES FOR FILING WITH REGISTRAR

REEF SALONS LIMITED

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REEF SALONS LIMITED

BALANCE SHEET

AS AT 31 MAY 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	**4**		18,592		20,584
Current assets					
Stocks		11,515		9,053	
Debtors	**5**	14,102		24,572	
Cash at bank and in hand		6,063		717	
		31,680		34,342	
Creditors: amounts falling due within one year	**6**	(29,888)		(35,022)	
Net current assets/(liabilities)			1,792		(680)
Total assets less current liabilities			20,384		19,904
Creditors: amounts falling due after more than one year	**7**		(38,002)		(24,656)
Net liabilities			(17,618)		(4,752)
Capital and reserves					
Called up share capital	**8**		2		2
Profit and loss reserves			(17,620)		(4,754)
Total equity			(17,618)		(4,752)

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 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.

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2018

The financial statements were approved by the board of directors and authorised for issue on 20 March 2019 and are signed on its behalf by:

Mrs L Gillespie
Director

Miss J Clift
Director

Company Registration No. 8000021

1 Accounting policies

Company information

Reef Salons 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 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.

1.2 Going concern

The financial statements have been prepared on a going concern basis, the validity of which is dependent upon the continued support of the directors and the company bankers. The directors consider that funding will be made available for the foreseeable future and therefore consider it to be appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the withdrawal of the support described above.

1.3 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.

1.4 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

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.

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 Accounting policies **(Continued)**

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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

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 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 9 (2017 - 10).

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 June 2017 and 31 May 2018	30,000
Amortisation and impairment	
At 1 June 2017 and 31 May 2018	30,000
Carrying amount	
At 31 May 2018	-
At 31 May 2017	-

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 June 2017	32,960
Additions	1,139
At 31 May 2018	34,099
Depreciation and impairment	
At 1 June 2017	12,376
Depreciation charged in the year	3,131
At 31 May 2018	15,507
Carrying amount	
At 31 May 2018	18,592
At 31 May 2017	20,584

5 **Debtors**

	2018	2017
Amounts falling due within one year:	**£**	**£**
Corporation tax recoverable	-	716
Other debtors	14,102	23,856
	14,102	24,572

6 **Creditors: amounts falling due within one year**

	2018	2017
	£	**£**
Bank loans and overdrafts	5,110	5,102
Trade creditors	12,052	2,690
Other taxation and social security	1,192	9,587
Other creditors	11,534	17,643
	29,888	35,022

7 **Creditors: amounts falling due after more than one year**

	2018	2017
	£	**£**
Bank loans and overdrafts	38,002	17,122
Other creditors	-	7,534
	38,002	24,656

8 **Called up share capital**

	2018	2017
	£	**£**
Ordinary share capital		
Issued and fully paid		
2 Ordinary shares of £1 each	2	2
	2	2

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:

	2018	2017
	£	£
	45,000	50,000

10 **Directors' transactions**

Description	% Rate	Opening balance	Amounts advanced	Amounts repaid	Amounts written off	Closing balance
		£	£	£	£	£
Mrs L Gillespie - Loan	-	12,273	19,108	(18,200)	-	13,181
Mrs C Rippon - Loan	-	11,583	7,790	(5,470)	(13,903)	-
Miss J Clift - Loan	-	-	3,000	(2,080)	-	920
		23,856	29,898	(25,750)	(13,903)	14,101

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.