

Company Registration No. 08796521 (England and Wales)

LSDM LIMITED
ANNUAL REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2014

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LSDM LIMITED

COMPANY INFORMATION

Directors	Mr A Urban Mr A L Urban	(Appointed 29 November 2013) (Appointed 29 November 2013)
Company number	08796521	
Registered office	Bentley House 2/26 Bentley Road London N1 4BY	
Auditors	Blinkhorns 27 Mortimer Street London W1T 3BL	
Business address	Bentley House 2/26 Bentley Road London N1 4BY	

LSDM LIMITED

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LSDM LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2014

The directors' present their strategic report and financial statements for the 3 month period ended 31 December 2014.

Review of the business

LSDM Limited, trading as Leyland SDM, is a specialist decorators merchants who serve both the professional tradesman and the general public.

This was the company's first period of trading and was for the 3 months to 31 December 2014. Business was satisfactory and in line with expectation.

The company's principal risks and uncertainties are the general economic environment in which it trades, finding opportunities to open new stores and other specific company issues relating to rapidly increasing competition in the market place.

The key performance indicators of gross and net profit margins were also satisfactory.

LSDM Limited currently operate from 17 stores around Central London. Opening any new stores is increasingly difficult in a hostile environment for our type of business on the high street and increasing regulation around loading and parking for both our own deliveries and our customers.

The directors are satisfied with the period's performance and are hopeful this will continue next year.

On behalf of the board



Mr A Urban

Director

4 August 2015

LSDM LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2014

The directors present their report and financial statements for the Period ended 31 December 2014.

The company incorporated on 29 November 2013 and commenced trading on the 1 October 2014.

Results and dividends

The results for the Period are set out on page 5.

Directors

The following directors have held office since 29 November 2013:

Mr A Urban (Appointed 29 November 2013)

Mr A L Urban (Appointed 29 November 2013)

Auditors

Blinkhorns were appointed auditors to the company and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 of 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr A Urban

Director

4 August 2015

LSDM LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LSDM LIMITED

We have audited the financial statements of LSDM Limited for the Period ended 31 December 2014 set out on pages 5 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial Period for which the financial statements are prepared is consistent with the financial statements.

LSDM LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF LSDM LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Cramer FCA (Senior Statutory Auditor)
for and on behalf of Blinkhorns

4 August 2015

Statutory Auditor

27 Mortimer Street
London
W1T 3BL

LSDM LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2014

	Notes	Period ended 31 December 2014 £
Turnover	2	10,640,222
Cost of sales		(5,207,926)
Gross profit		5,432,296
Administrative expenses		(2,898,118)
Other operating income		67,140
Operating profit	3	2,601,318
Other interest receivable and similar income	4	2,552
Profit on ordinary activities before taxation		2,603,870
Tax on profit on ordinary activities	5	(609,866)
Profit for the Period	15	1,994,004

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

LSDM LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 £	£
Fixed assets			
Intangible assets	6	21,586,750	
Tangible assets	7 & 8	16,673,496	
			38,260,246
Current assets			
Stocks	9	4,775,981	
Debtors	10	1,189,615	
Cash at bank and in hand		12,709,172	
		18,674,768	
Creditors: amounts falling due within one year	11	(12,655,637)	
Net current assets			6,019,131
Total assets less current liabilities			44,279,377
Creditors: amounts falling due after more than one year	12	(42,284,373)	
			1,995,004
Capital and reserves			
Called up share capital	14	1,000	
Profit and loss account	15	1,994,004	
Shareholders' funds	16	1,995,004	

Approved by the Board and authorised for issue on 4 August 2015



Mr A Urban
Director



Mr A L Urban
Director

Company Registration No. 08796521

LSDM LIMITED

CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2014

	Period ended 31 December 2014 £
Net cash inflow/(outflow) from operating activities	8,985,118
Returns on investments and servicing of finance	
Interest received	2,552
Net cash inflow/(outflow) for returns on investments and servicing of finance	2,552
Capital expenditure	
Payments to acquire intangible assets	(21,860,000)
Payments to acquire tangible assets	(16,703,871)
Net cash outflow for capital expenditure	(38,563,871)
Net cash outflow before management of liquid resources and financing	(29,576,201)
Financing	
Issue of ordinary share capital	1,000
Other new long term loans	42,284,373
Net cash inflow/(outflow) from financing	42,285,373
Increase in cash in the Period	12,709,172

LSDM LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2014

1 Reconciliation of operating profit to net cash inflow from operating activities	2014 £
Operating profit/(loss)	2,601,318
Depreciation of tangible assets	30,375
Amortisation of intangible assets	273,250
(Increase)/decrease in stocks	(4,775,981)
Increase in debtors	(1,189,615)
Increase in creditors within one year	12,045,771
Net cash inflow/(outflow) from operating activities	8,985,118

2 Analysis of net debt	29 November 2013	Cash flow £	Other non- cash changes £
Net cash:			
Cash at bank and in hand	-	12,709,172	-
Bank deposits	-	-	-
Debt:			
Debts falling due after one year	-	(42,284,373)	-
Net debt	-	(29,575,201)	-

3 Reconciliation of net cash flow to movement in net debt	2014 £
Increase in cash in the Period	12,709,172
Cash inflow from increase in debt	(42,284,373)
Movement in net debt in the Period	(29,575,201)
Opening net debt	-
Closing net debt	(29,575,201)

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

The goodwill has been deemed to have a useful economic life of 20 years. This is based on a reliable estimate from evidence obtained by the entity.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Straight line over the length of the lease
Plant and machinery	25% Straight line
Fixtures, fittings & equipment	25% Straight line
Motor vehicles	25% Straight line

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the Period they are payable.

2 Turnover

The total turnover of the company for the Period has been derived from its principal activity wholly undertaken in the United Kingdom.

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

3	Operating profit	2014
		£
	Operating profit is stated after charging:	
	Amortisation of intangible assets	273,250
	Depreciation of tangible assets	30,375
		<u> </u>
	Auditors' remuneration	
	Fees payable to the company's auditor for the audit of the company's annual accounts	45,000
	Taxation	5,000
	Non-audit services	11,638
		<u> </u>
		61,638
		<u> </u>
4	Investment income	2014
		£
	Bank interest	2,552
		<u> </u>
		2,552
		<u> </u>
5	Taxation	2014
		£
	Domestic current year tax	
	U.K. corporation tax	609,866
		<u> </u>
	Total current tax	609,866
		<u> </u>
	Factors affecting the tax charge for the period	
	Profit on ordinary activities before taxation	2,603,870
		<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00%	546,813
		<u> </u>
	Effects of:	
	Non deductible expenses	461
	Depreciation add back	63,761
	Capital allowances	(1,169)
		<u> </u>
		63,053
		<u> </u>
	Current tax charge for the period	609,866
		<u> </u>

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

6 Intangible fixed assets

	Goodwill £
Cost	
At 29 November 2013	-
Additions	21,860,000
At 31 December 2014	21,860,000
Amortisation	
At 29 November 2013	-
Charge for the Period	273,250
At 31 December 2014	273,250
Net book value	
At 31 December 2014	21,586,750

7 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost						
At 29 November 2013	-	-	-	-	-	-
Additions	6,011,616	3,400,665	4,340	32,614	32,415	9,481,650
At 31 December 2014	6,011,616	3,400,665	4,340	32,614	32,415	9,481,650
Depreciation						
At 29 November 2013	-	-	-	-	-	-
Charge for the Period	-	20,999	701	3,852	4,823	30,375
At 31 December 2014	-	20,999	701	3,852	4,823	30,375
Net book value						
At 31 December 2014	6,011,616	3,379,666	3,639	28,762	27,592	9,451,275

Within tangible fixed assets there is long leasehold properties with a net book value of £1,822,265, and short leasehold properties with a net book value of £1,557,402.

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

8 Tangible fixed assets

	Investment properties £
Cost	
At 29 November 2013	-
Additions	7,222,221
At 31 December 2014	7,222,221
Net book value	
At 31 December 2014	7,222,221

9 Stocks

	2014 £
Finished goods and goods for resale	4,775,981

10 Debtors

	2014 £
Trade debtors	747,277
Other debtors	165,950
Prepayments and accrued income	276,388
	1,189,615

11 Creditors: amounts falling due within one year

	2014 £
Trade creditors	2,378,589
Corporation tax	609,866
Other taxes and social security costs	849,105
Directors' current accounts	7,461,949
Other creditors	1,276,819
Accruals and deferred income	79,309
	12,655,637

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

12	Creditors: amounts falling due after more than one year	2014
		£
	Other loans	42,284,373
13	Retirement Benefits	
		2014
		£
	Contributions payable by the company for the Period	6,909
14	Share capital	2014
		£
	Allotted, called up and fully paid	
	100,000 ordinary shares of 1p each	1,000
15	Statement of movements on profit and loss account	
		Profit
		and loss
		account
		£
	Profit for the period	1,994,004
16	Reconciliation of movements in shareholders' funds	2014
		£
	Profit for the financial Period	1,994,004
	Proceeds from issue of shares	1,000
	Net addition to shareholders' funds	1,995,004
	Opening shareholders' funds	-
	Closing shareholders' funds	1,995,004

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2014

17	Directors' remuneration	2014
		£

Remuneration for qualifying services	75,000
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18	Employees
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Number of employees

The average monthly number of employees (including directors) during the Period was:

	2014
	Number
Management and administration	19
Sales	192
Directors	2
	213

Employment costs	2014
	£

Wages and salaries	1,587,975
Social security costs	115,632
Other pension costs	6,909
	1,710,516

19	Financial commitments
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At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Land and buildings
	2014
	£
Operating leases which expire:	
Within one year	42,075
Between two and five years	124,000
In over five years	945,800
	1,111,875