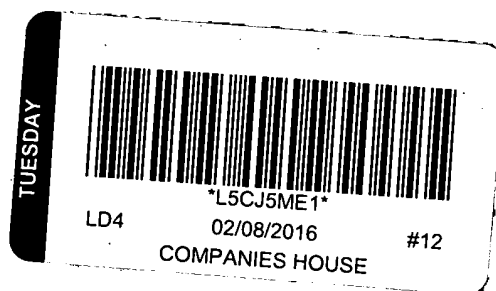


Company Registration No. 08796521 (England and Wales)

LSDM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015



LSDM LIMITED

COMPANY INFORMATION

Directors	Mr A Urban Mr A L Urban
Company number	08796521
Registered office	Unit 24 Fourth Way Wembley London HA9 0LH
Auditors	Blinkhorns 27 Mortimer Street London W1T 3BL
Business address	Unit 24 Fourth Way Wembley London HA9 0LH

LSDM LIMITED

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LSDM LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors' present their strategic report and financial statements for the 12 month period ended 26 December 2015.

Fair review of the business

The directors' present their strategic report and financial statements for the period ended 26 December 2015.

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

The company's second period of trading was very successful. The company generated revenues of £43.5m with a profit before tax of £9.6m.

LSDM now operate from 18 (2014: 17) stores across Central London. The company has secured new premises in 2 new locations across London. Both of these new stores will be open by the end of 2016 taking the company's total number of stores up to 20.

In addition to the acquisition and opening of new stores the company has re-located its head office and warehouse facility to new premises in Wembley. The new premises increase the size of the company's warehouse, putting the company into more modern premises and into a position to improve the company's operations.

The company's principal economic risk remains that of the general volatility facing the economy. The company operates within a sector that is susceptible to downturns in the general economic environment. The company feels its growth by acquisition strategy and its continued drive to be an innovator within the industry place it in a position to grow further irrespective of economic uncertainties.

The directors are pleased with the period's performance and are confident the company will continue in this manner.

On behalf of the board



Mr A Urban
Director
11 July 2016

LSDM LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and financial statements for the year ended 31 December 2015.

Principal activities

The principal activity of the company continued to be that of a specialist decorators merchants who serve both the professional tradesman and the general public.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A Urban
Mr A L Urban

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditors

The auditors, Blinkhorns, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually 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
11 July 2016

LSDM LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors are responsible for preparing the Annual 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;
- 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.

LSDM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LSDM LIMITED

We have audited the financial statements of LSDM Limited for the year ended 31 December 2015 set out on pages 6 to 23. 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), including Financial Reporting Standard 102.

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 auditor's 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 2015 and of its profit for the year 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 matters prescribed by the Companies Act 2006

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

LSDM LIMITED

INDEPENDENT AUDITOR'S 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

11 July 2016

Chartered Accountants
Statutory Auditor

27 Mortimer Street
London
W1T 3BL

LSDM LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2015

		Year ended 31 December 2015 £	Period ended 31 December 2014 £
	Notes		
Turnover	2	43,513,556	10,640,222
Cost of sales		(23,000,603)	(5,131,739)
Gross profit		20,512,953	5,508,483
Administrative expenses		(11,749,841)	(2,974,305)
Other operating income		186,566	67,140
Operating profit	3	8,949,678	2,601,318
Interest receivable and similar income	6	10,852	2,552
Fair value gains and losses on investment properties		638,067	-
Profit before taxation		9,598,597	2,603,870
Taxation	7	(2,860,010)	(605,947)
Profit for the financial year		6,738,587	1,997,923

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

LSDM LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	Year ended 31 December 2015 £	Period ended 31 December 2014 £
Profit for the year	6,738,587	1,997,923
Other comprehensive income		
Revaluation of tangible fixed assets	3,329,647	-
Total comprehensive income for the year	<u>10,068,234</u>	<u>1,997,923</u>

LSDM LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Goodwill	8	20,493,750		21,586,750	
Tangible assets	9	19,618,440		9,451,275	
Investment properties	10	7,860,768		7,222,221	
		<u>47,972,958</u>		<u>38,260,246</u>	
Current assets					
Stocks	12	4,503,956		4,775,981	
Debtors - deferred tax asset	16	9,584		3,919	
Other debtors	13	1,486,201		1,189,616	
Cash at bank and in hand		7,931,662		12,709,172	
		<u>13,931,403</u>		<u>18,678,688</u>	
Creditors: amounts falling due within one year		<u>49,032,669</u>		<u>54,940,011</u>	
Net current liabilities		(35,101,266)		(36,261,323)	
Total assets less current liabilities		<u>12,871,692</u>		<u>1,998,923</u>	
Provisions for liabilities	17	(804,535)		-	
Net assets		<u>12,067,157</u>		<u>1,998,923</u>	
Capital and reserves					
Called up share capital	19	1,000		1,000	
Revaluation reserve		3,329,647		-	
Profit and loss reserves		8,736,510		1,997,923	
Total equity		<u>12,067,157</u>		<u>1,998,923</u>	

The financial statements were approved by the board of directors and authorised for issue on 11 July 2016

Signed on its behalf by:



Mr A Urban
Director

Company Registration No. 08796521

LSDM LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £	Revaluation reserve £	Retained earnings £	Total £
Balance at 29 November 2013		-	-	-	-
Profit and total comprehensive income for the year		-	-	1,997,923	1,997,923
Issue of share capital	19	1,000	-	-	1,000
Balance at 31 December 2014		1,000	-	1,997,923	1,998,923
Profit for the year		-	-	6,738,587	6,738,587
Other comprehensive income		-	3,329,647	-	3,329,647
Total comprehensive income for the year		-	3,329,647	6,738,587	10,068,234
Balance at 31 December 2015		1,000	3,329,647	8,736,510	12,067,157

LSDM LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Cash flows from operating activities			
Cash generated from operations	21	12,921,537	1,523,168
Income taxes paid		(1,619,866)	-
Net cash inflow from operating activities		<u>11,301,671</u>	<u>1,523,168</u>
Investing activities			
Purchase of intangible assets		-	(21,860,000)
Purchase of tangible fixed assets		(6,965,517)	(9,481,650)
Purchase of investment property		(480)	(7,222,221)
Interest received		10,852	2,552
Net cash used in investing activities		<u>(6,955,145)</u>	<u>(38,561,319)</u>
Financing activities			
Proceeds from issue of shares		-	1,000
Repayment of borrowings		(9,124,036)	49,746,323
Net cash (used in)/generated from financing activities		<u>(9,124,036)</u>	<u>49,747,323</u>
Net (decrease)/increase in cash and cash equivalents		<u>(4,777,510)</u>	<u>12,709,172</u>
Cash and cash equivalents at beginning of year		<u>12,709,172</u>	-
Cash and cash equivalents at end of year		<u><u>7,931,662</u></u>	<u><u>12,709,172</u></u>

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

LSDM Limited is a limited company domiciled and incorporated in England and Wales. The business and registered office address is Unit 24, Fourth Way, Wembley, London, HA9 0LH.

The company has prepared the financial statements to the 26 December 2015. The financial statements for future years will now be prepared to the nearest Saturday to the 31 December each year. The accounting reference date will remain the 31 December and the financial statements will always be prepared to within 7 days of this date.

1.1 Accounting convention

These financial statements for the year ended 31 December 2015 are the first financial statements that comply with FRS 102. The date of transition is 1 January 2015.

The transition to FRS 102 has resulted in a small number of changes in accounting policies to those used previously.

The nature of these changes and their impact on opening equity and profit for the comparative period are explained in notes and below.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Intangible fixed assets - 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.

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

With the exception of freehold property, property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment losses. Freehold property is stated in the balance sheet at revalued amounts, being the fair value on the date of revaluation less any subsequent depreciation and impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which could be determined using fair values at the reporting end date.

If an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognised in other comprehensive income and accumulated in equity. However, the increase shall be recognised in profit and loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. The decrease of an asset's carrying amount as a result of revaluation shall be recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. If 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 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:

Land and buildings Freehold	No charge
Land and buildings long leasehold	Straight line over the length of the lease
Land and buildings short leasehold	Straight line over the length of the lease
Fixtures, fittings & equipment	25% Straight line
Plant and machinery	25% Straight line
Motor vehicles	25% Straight line

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

Where fair value cannot be achieved without undue cost or effort, investment property is accounted for as tangible fixed assets.

Deferred taxation is provided on these gains at the rate expected to apply when the property is sold.

1.7 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.8 Stocks

Stock has been valued at the lower of cost and estimated selling price less costs to 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.

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents 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.

1.10 Financial assets

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.11 Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 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 liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.14 Retirement benefits

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

1.15 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.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions.

1.17 Income recognition

Income is recognised when goods have been delivered to customers such that risks and rewards of ownership have transferred to them.

2 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2015 £	2014 £
Turnover		
Sale of goods	43,513,556	10,640,222
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	10,852	2,552
Rental income arising from investment properties	186,566	67,140
	<u> </u>	<u> </u>

Turnover analysed by geographical market

	2015 £	2014 £
United Kingdom	43,513,556	10,640,222
	<u> </u>	<u> </u>

3 Operating profit

Operating profit for the year is stated after charging/(crediting):

	2015 £	2014 £
Exchange losses/(gains)	2,386	-
Depreciation of owned tangible fixed assets	127,999	30,375
Amortisation of intangible assets	1,093,000	273,250
Cost of stocks recognised as an expense	23,000,603	5,131,739
	<u> </u>	<u> </u>

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

4 Auditors' remuneration

	2015 £	2014 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the company's financial statements	45,000	45,000
For other services		
Taxation compliance services	5,000	5,000

5 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	303,783	75,000

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	153,328	37,500
--------------------------------------	---------	--------

6 Interest receivable and similar income

	2015 £	2014 £
Interest income		
Interest on bank deposits	10,852	2,552
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	10,852	2,552

7 Taxation

	2015 £	2014 £
Current tax		
UK corporation tax on profits for the current period	2,061,140	609,866
Deferred tax		
Origination and reversal of timing differences	798,870	(3,919)
Total tax charge	2,860,010	605,947

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

7 Taxation

(Continued)

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2015 £	2014 £
Profit before taxation	9,598,597	2,603,870
Expected tax charge based on the standard rate of corporation tax in the UK of 20.25% (2014: 21.00%)	1,943,716	546,813
Tax effect of expenses that are not deductible in determining taxable profit	260,450	64,222
Gains not taxable	(129,209)	-
Permanent capital allowances in excess of depreciation	785,053	(5,088)
Tax expense for the year	2,860,010	605,947

8 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2015 and 31 December 2015	21,860,000
Amortisation and impairment	
At 1 January 2015	273,250
Amortisation charged for the year	1,093,000
At 31 December 2015	1,366,250
Carrying amount	
At 31 December 2015	20,493,750
At 31 December 2014	21,586,750

The intangible asset has a remaining amortisation period of 18 years and 3 months.

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

9 Tangible fixed assets

	Land and buildings Freehold	Land and buildings long leasehold	Land and buildings short leasehold	Plant and machinery	Fixtures, Motor vehicles fittings & equipment	Total
	£	£	£	£	£	£
Cost						
At 1 January 2015	6,011,616	1,825,917	1,574,748	4,340	32,614	9,481,650
Additions	6,797,176	-	107,444	33,902	-	6,965,517
Revaluation	3,329,647	-	-	-	-	3,329,647
At 31 December 2015	16,138,439	1,825,917	1,682,192	38,242	32,614	19,776,814
Depreciation and impairment						
At 1 January 2015	-	3,652	17,347	701	3,852	30,375
Depreciation charged in the year	-	14,607	72,035	7,637	15,407	127,999
At 31 December 2015	-	18,259	89,382	8,338	19,259	158,374
Carrying amount						
At 31 December 2015	16,138,439	1,807,658	1,592,810	29,904	13,355	19,618,440
At 31 December 2014	6,011,616	1,822,267	1,557,399	3,639	28,762	9,451,275

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

10 Investment property

	2015 £
Fair value	
At 1 January 2015	7,222,221
Additions through external acquisition	480
Net gains or losses through fair value adjustments	638,067
At 31 December 2015	<u>7,860,768</u>

11 Financial instruments

	2015 £	2014 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	955,202	913,228
Carrying amount of financial liabilities		
Measured at amortised cost	47,027,531	53,481,040

12 Stocks

	2015 £	2014 £
Finished goods and goods for resale	4,503,956	4,775,981

13 Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Trade debtors	725,814	747,278
Other debtors	229,388	165,950
Prepayments and accrued income	530,999	276,388
	<u>1,486,201</u>	<u>1,189,616</u>

Amounts falling due after one year:

Deferred tax asset (note 16)	9,584	3,919
Total debtors	<u>1,495,785</u>	<u>1,193,535</u>

Trade debtors disclosed above are measured at amortised cost.

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

14 Creditors: amounts falling due within one year

	Notes	2015 £	2014 £
Loans and overdrafts	15	40,622,287	49,746,323
Trade creditors		5,128,967	2,378,589
Corporation tax		1,051,140	609,866
Other taxation and social security		953,998	849,105
Other creditors		925,982	1,276,819
Accruals and deferred income		350,295	79,309
		<u>49,032,669</u>	<u>54,940,011</u>

15 Loans and overdrafts

	2015 £	2014 £
Directors' loans	<u>40,622,287</u>	<u>49,746,323</u>
Payable within one year	<u>40,622,287</u>	<u>49,746,323</u>

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2015 £	Liabilities 2014 £	Assets 2015 £	Assets 2014 £
Balances:				
Accelerated capital allowances	-	-	9,584	3,919
Freehold property	676,826	-	-	-
Investment property	127,709	-	-	-
	<u>804,535</u>	<u>-</u>	<u>9,584</u>	<u>3,919</u>

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

16 Deferred taxation

(Continued)

	2015 £
Movements in the year:	
Liability/(Asset) at 1 January 2015	(3,919)
Charge to profit or loss	122,044
Charge to other comprehensive income	676,826
Liability at 31 December 2015	<u>794,951</u>

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Accelerated capital allowances represent the timing differences between the recognition of the tax allowances received that is in excess of depreciation.

Revaluations on freehold and investment property represent the timing differences between the base cost of the asset and its carrying value in the financial statements.

17 Provisions for liabilities

		2015 £	2014 £
Deferred tax liabilities	16	804,535	-
		<u>804,535</u>	<u>-</u>

18 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £28,423 (2014 - £6,909).

19 Share capital

	2015 £	2014 £
Ordinary share capital		
Issued and fully paid		
100,000 ordinary shares of 1p each	<u>1,000</u>	<u>1,000</u>

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

20 Operating leases commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015 £	2014 £
Within one year	1,089,740	42,075
Between two and five years	3,102,900	124,000
In over five years	5,109,363	945,800
	<u>9,302,003</u>	<u>1,111,875</u>

21 Cash generated from operations

	2015 £	2014 £
Profit for the year after tax	6,738,587	1,997,923
Adjustments for:		
Taxation charged	2,860,010	605,947
Investment income	(10,852)	(2,552)
Fair value gains on investment properties	(638,067)	-
Amortisation and impairment of intangible assets	1,093,000	273,250
Depreciation and impairment of tangible fixed assets	127,999	30,375
Movements in working capital:		
Decrease/(increase) in stocks	272,025	(4,775,981)
(Increase) in debtors	(296,585)	(1,189,616)
Increase in creditors	2,775,420	4,583,822
Cash generated from operations	<u>12,921,537</u>	<u>1,523,168</u>

22 Reconciliations on adoption of FRS 102

Reconciliation of equity

	1 January 2014 £	31 December 2014 £
Equity as reported under previous UK GAAP and under FRS 102	-	1,998,923

LSDM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

22 Reconciliations on adoption of FRS 102

(Continued)

Reconciliation of profit or loss

2014
£

Profit or loss as reported under previous UK GAAP and under
FRS 102

1,997,923

Notes to reconciliations on adoption of FRS 102

The loan's held as long term under UK GAAP have been re-classified under FRS 102 to be repayable on demand.