

RYAN MANUFACTURING LIMITED
UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 30 JUNE 2020



RYAN MANUFACTURING LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF RYAN MANUFACTURING LIMITED FOR THE YEAR ENDED 30 JUNE 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Ryan Manufacturing Limited for the year ended 30 June 2020 which comprise the Balance Sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Ryan Manufacturing Limited, as a body, in accordance with the terms of our engagement letter dated 21 May 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Ryan Manufacturing Limited and state those matters that we have agreed to state to the Board of Directors of Ryan Manufacturing Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ryan Manufacturing Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Ryan Manufacturing Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Ryan Manufacturing Limited. You consider that Ryan Manufacturing Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Ryan Manufacturing Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Warrenner Stewart

Chartered Accountants

Harwood House
43 Harwood Road
London
SW6 4QP

14 April 2021

RYAN MANUFACTURING LIMITED
REGISTERED NUMBER:09562148

BALANCE SHEET
AS AT 30 JUNE 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	19,275	29,334
Tangible assets	5	13,597	23,780
		<u>32,872</u>	<u>53,114</u>
Current assets			
Stocks		143,800	161,525
Debtors: amounts falling due within one year	6	359,542	463,034
Cash at bank and in hand		26,619	6,037
		<u>529,961</u>	<u>630,596</u>
Creditors: amounts falling due within one year	7	(634,837)	(719,950)
Net current liabilities		<u>(104,876)</u>	<u>(89,354)</u>
Total assets less current liabilities		<u>(72,004)</u>	<u>(36,240)</u>
Capital and reserves			
Allotted, called up and fully paid share capital		100	100
Profit and loss account		(72,104)	(36,340)
		<u>(72,004)</u>	<u>(36,240)</u>

RYAN MANUFACTURING LIMITED
REGISTERED NUMBER:09562148

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2020

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 April 2021.



B S Wright
Director

The notes on pages 4 to 10 form part of these financial statements.

RYAN MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. General information

Ryan Manufacturing Limited is incorporated and domiciled in England and Wales. The registered office is Ryan Building, Sandars Road, Heapham Road Industrial Estate, Gainsborough, Lincolnshire, DN21 1RZ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company made a loss after taxation for the year ended 30 June 2020 of £35,764 (2019: profit £129,780) resulting in a reduction in the balance sheet deficit to £72,004 (2019: £36,240) at the year end. However, of that deficit £258,231 represents liabilities payable to the holding company and related undertakings who have confirmed they do not intend to seek repayment until the company has surplus and sufficient funds.

The directors expect that the company will be profitable in the year ended 30 June 2021. The company's parent and related companies will continue their financial support for the foreseeable future such that the company is able to meet its ongoing liabilities as and when they fall due.

In the light of this and after taking into account all information that could reasonably be expected to be available, the directors are satisfied that the company will continue in operational existence for the foreseeable future, and that the going concern basis is appropriate for the preparation of the company's financial statements.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

RYAN MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and Loss Account over its estimated economic life.

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Statement of Comprehensive Income.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 20% straight line
Plant and machinery	- 20% straight line
Fixtures and fittings	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans with related parties.

RYAN MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

RYAN MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.12 Current and deferred taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 12 (2019 - 13).

RYAN MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

4. Intangible assets

	Development costs £	Goodwill £	Total £
Cost			
At 1 July 2019	33,187	28,898	62,085
Additions	1,866	-	1,866
At 30 June 2020	35,053	28,898	63,951
Amortisation			
At 1 July 2019	9,633	23,118	32,751
Charge for the year on owned assets	6,146	5,780	11,926
At 30 June 2020	15,779	28,898	44,677
Net book value			
At 30 June 2020	19,274	-	19,274
At 30 June 2019	23,554	5,780	29,334

Goodwill arose on the acquisition of the business of Martin Ryan Limited and Martin Ryan Holdings Limited. The directors consider that the economic life of this goodwill is five years.

Development costs are being amortised over the period of expected revenue streams commencing on the date of the first sales of the product the costs relate to.

RYAN MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

5. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 July 2019	10,628	32,389	29,998	73,015
Additions	679	3,078	46	3,803
At 30 June 2020	11,307	35,467	30,044	76,818
Depreciation				
At 1 July 2019	6,434	19,571	23,230	49,235
Charge for the year on owned assets	2,261	5,838	5,887	13,986
At 30 June 2020	8,695	25,409	29,117	63,221
Net book value				
At 30 June 2020	2,612	10,058	927	13,597
At 30 June 2019	4,194	12,818	6,768	23,780

6. Debtors

	2020 £	2019 £
Trade debtors	101,847	190,070
Amounts owed by group undertakings	61,533	181,691
Other debtors	332	-
Prepayments and accrued income	195,830	91,273
	359,542	463,034

RYAN MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdrafts	135,329	145,368
Trade creditors	65,016	270,271
Amounts owed to group undertakings	250,900	-
Amounts owed to related undertakings	7,331	85,000
Corporation tax	28,155	28,155
Other taxation and social security	20,985	58,048
Other creditors	52,740	51,419
Accruals and deferred income	74,381	81,689
	<u>634,837</u>	<u>719,950</u>

The bank overdrafts are secured by a fixed and floating charge over all of the assets of the company together with a guarantee of £192,000 provided by New Design Group Limited (the parent company) and New Design Furniture Limited, a related company.

8. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £6,799 (2019 - £6,491). Contributions totalling £2,765 (2019 - £1,444) were payable to the fund at the balance sheet date and are included in creditors.

9. Commitments under operating leases

At 30 June 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	91,459	91,459
Later than 1 year and not later than 5 years	365,836	365,836
Later than 5 years	-	91,459
	<u>457,295</u>	<u>548,754</u>