

Registered number: SC038321

SUPERFINE MANUFACTURING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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SUPERFINE MANUFACTURING LIMITED
REGISTERED NUMBER:SC038321

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

		2016 £	2015 £
Fixed assets			
Intangible assets	4	1,294	34
Tangible assets	5	907,795	881,629
		<u>909,089</u>	<u>881,663</u>
Current assets			
Stocks	6	293,458	169,194
Debtors: amounts falling due within one year	7	596,764	277,365
Cash at bank and in hand		1,850,700	2,299,436
		<u>2,740,922</u>	<u>2,745,995</u>
Creditors: amounts falling due within one year	8	(267,000)	(223,110)
Net current assets		<u>2,473,922</u>	<u>2,522,885</u>
Total assets less current liabilities		<u>3,383,011</u>	<u>3,404,548</u>
Provisions for liabilities			
Deferred tax	9	(123,982)	(118,637)
		<u>(123,982)</u>	<u>(118,637)</u>
Net assets		<u><u>3,259,029</u></u>	<u><u>3,285,911</u></u>
Capital and reserves			
Called up share capital		7,838	10,000
Capital redemption reserve		2,162	-
Profit and loss account		3,249,029	3,275,911
		<u>3,259,029</u>	<u>3,285,911</u>

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 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 income and retained earnings 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 23 May 2017.

SUPERFINE MANUFACTURING LIMITED
REGISTERED NUMBER:SC038321

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2016

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Nigel John Archer
Director

The notes on pages 3 to 9 form part of these financial statements.

SUPERFINE MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Superfine Manufacturing Limited is a limited company, incorporated in Scotland, with registered office Orchard Bank, Glamis Road, Forfar, Angus, DD8 1TD.

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 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover 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 turnover 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.

2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

SUPERFINE MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.4 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, as follows.

Depreciation is provided on the following basis:

Plant and machinery	-	15% Reducing balance
Motor vehicles	-	25% Reducing balance
Office equipment	-	25% 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 the Statement of income and retained earnings.

2.5 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. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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 profit or loss.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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, loans to related parties and investments in non-puttable ordinary shares.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

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 the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

SUPERFINE MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 reporting 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 Statement of financial position 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 reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 21 (2015 - 17).

SUPERFINE MANUFACTURING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Intangible assets

	Patents £	Trademarks £	Total £
Cost			
At 1 January 2016	34	-	34
Additions	-	1,400	1,400
At 31 December 2016	34	1,400	1,434
Amortisation			
Charge for the year	-	140	140
At 31 December 2016	-	140	140
Net book value			
At 31 December 2016	34	1,260	1,294
At 31 December 2015	34	-	34

5. Tangible fixed assets

	Heritable property £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
Cost or valuation					
At 1 January 2016	285,340	1,580,454	27,585	234,815	2,128,194
Additions	-	136,857	-	22,904	159,761
At 31 December 2016	285,340	1,717,311	27,585	257,719	2,287,955
Depreciation					
At 1 January 2016	-	1,035,097	14,351	197,117	1,246,565
Charge for the period on owned assets	-	102,334	3,309	27,952	133,595
At 31 December 2016	-	1,137,431	17,660	225,069	1,380,160
Net book value					
At 31 December 2016	285,340	579,880	9,925	32,650	907,795
At 31 December 2015	285,340	545,357	13,234	37,698	881,629

SUPERFINE MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

6. Stocks

	2016	2015
	£	£
Raw materials	293,458	169,194
	293,458	169,194

7. Debtors

	2016	2015
	£	£
Trade debtors	548,095	264,689
Other debtors	28,833	-
Prepayments and accrued income	19,836	12,676
	596,764	277,365

8. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	83,659	70,652
Corporation tax	64,596	78,235
Other taxation and social security	68,092	36,602
Other creditors	409	973
Accruals and deferred income	50,244	36,648
	267,000	223,110

SUPERFINE MANUFACTURING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

9. Deferred taxation

	2016 £
At beginning of year	(118,637)
Charged to profit or loss	(5,345)
At end of year	(123,982)

The provision for deferred taxation is made up as follows:

	2016 £
Accelerated capital allowances	(123,982)
	(123,982)

10. Transactions with directors

During the year Nigel John Archer, director, was advanced with an amount totalling £35,436 (2015 - £NIL). Nigel repaid £7,200 in the year, which after charging interest at 3% left £28,833 (2015 - £NIL) outstanding at the year end, shown as "Other debtors" in the Debtors note above.

11. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.