

SUPERFINE MANUFACTURING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

SUPERFINE MANUFACTURING LIMITED

COMPANY INFORMATION

DIRECTORS	Nigel John Archer Maureen Archer Lyn Archer Gemma Louise Archer
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COMPANY SECRETARY	Julie Philip
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REGISTERED NUMBER	SC038321
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REGISTERED OFFICE	Orchard Bank Glamis Road Forfar Angus DD8 1TD
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ACCOUNTANTS	EQ Accountants LLP Chartered Accountants Westby 64 West High Street Forfar Angus DD8 1BJ
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

		2017	2016
		£	£
FIXED ASSETS			
Intangible assets	4	1,154	1,294
Tangible assets	5	936,194	907,795
		937,348	909,089
CURRENT ASSETS			
Stocks		354,174	293,458
Debtors: amounts falling due within one year	6	667,161	596,764
Cash at bank and in hand		2,241,457	1,850,700
		3,262,792	2,740,922
Creditors: amounts falling due within one year	7	(469,306)	(267,001)
NET CURRENT ASSETS		2,793,486	2,473,921
TOTAL ASSETS LESS CURRENT LIABILITIES		3,730,834	3,383,010
PROVISIONS FOR LIABILITIES			
Deferred tax		(123,266)	(123,982)
		(123,266)	(123,982)
NET ASSETS		3,607,568	3,259,028

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2017

		2017 £	2016 £
CAPITAL AND RESERVES			
Called up share capital	8	7,838	7,838
Capital redemption reserve		2,162	2,162
Profit and loss account		3,597,568	3,249,028
		<u>3,607,568</u>	<u>3,259,028</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 2018.

Nigel John Archer

Director

The notes on pages 3 to 8 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. GENERAL INFORMATION

Superfine Manufacturing Limited is a limited company, incorporated in Scotland with the registration number SC038321, with the registered office being 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument 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.

2.7 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (continued)

2.8 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.

2.9 INTEREST INCOME

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

2.10 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. ACCOUNTING POLICIES (continued)

2.11 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 20 (2016 -21).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

4. INTANGIBLE ASSETS

	Patents £	Trademarks £	Total £
COST			
At 1 January 2017	34	1,400	1,434
At 31 December 2017	34	1,400	1,434
AMORTISATION			
At 1 January 2017	-	140	140
Charge for the year	-	140	140
At 31 December 2017	-	280	280
NET BOOK VALUE			
At 31 December 2017	34	1,120	1,154
<i>At 31 December 2016</i>	34	1,260	1,294

5. TANGIBLE FIXED ASSETS

	Heritable property £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
COST OR VALUATION					
At 1 January 2017	285,340	1,717,311	27,585	257,719	2,287,955
Additions	-	132,680	-	34,482	167,162
At 31 December 2017	285,340	1,849,991	27,585	292,201	2,455,117
DEPRECIATION					
At 1 January 2017	-	1,137,431	17,660	225,069	1,380,160
Charge for the year on owned assets	-	106,886	2,481	29,396	138,763
At 31 December 2017	-	1,244,317	20,141	254,465	1,518,923
NET BOOK VALUE					
At 31 December 2017	285,340	605,674	7,444	37,736	936,194
<i>At 31 December 2016</i>	285,340	579,880	9,925	32,650	907,795

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

6. DEBTORS

	2017 £	2016 £
Trade debtors	649,005	548,095
Other debtors	-	28,833
Prepayments and accrued income	18,156	19,836
	<u>667,161</u>	<u>596,764</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	145,740	83,660
Other taxation and social security	216,362	132,688
Other creditors	58,696	409
Accruals and deferred income	48,508	50,244
	<u>469,306</u>	<u>267,001</u>

8. SHARE CAPITAL

	2017 £	2016 £
ALLOTTED, CALLED UP AND FULLY PAID		
3,338 A Ordinary shares of £1 each	3,338	3,338
3,700 B Ordinary shares of £1 each	3,700	3,700
800 C Ordinary shares of £1 each	800	800
	<u>7,838</u>	<u>7,838</u>