

**THE NEEDHAM GROUP LTD**

**Company Registration No. 00741700 (England and Wales)**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2017**

**PAGES FOR FILING WITH REGISTRAR**

# THE NEEDHAM GROUP LTD

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# THE NEEDHAM GROUP LTD

## BALANCE SHEET

AS AT 30 NOVEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	3	1,003,095		428,502	
Investments	4	580		300	
		<u>1,003,675</u>		<u>428,802</u>	
<b>Current assets</b>					
Debtors	5	524,221		484,767	
Cash at bank and in hand		2,340		2,110	
		<u>526,561</u>		<u>486,877</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(347,701)</u>		<u>(188,320)</u>	
<b>Net current assets</b>			178,860		298,557
<b>Total assets less current liabilities</b>			<u>1,182,535</u>		<u>727,359</u>
<b>Creditors: amounts falling due after more than one year</b>	7		(638,230)		(205,438)
<b>Provisions for liabilities</b>			-		(13,307)
<b>Net assets</b>			<u>544,305</u>		<u>508,614</u>
<b>Capital and reserves</b>					
Called up share capital	8		10,500		10,000
Share premium account			14,000		7,000
Profit and loss reserves			519,805		491,614
<b>Total equity</b>			<u>544,305</u>		<u>508,614</u>

## **THE NEEDHAM GROUP LTD**

### **BALANCE SHEET (CONTINUED)**

***AS AT 30 NOVEMBER 2017***

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The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 November 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 18 July 2018 and are signed on its behalf by:

Mr D G Needham  
**Director**

**Company Registration No. 00741700**

# THE NEEDHAM GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 NOVEMBER 2017**

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### **1 Accounting policies**

#### **Company information**

The Needham Group Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2B, Civic Industrial Park, Waymills, Whitchurch, Shropshire, SY13 1TT.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 November 2017 are the first financial statements of The Needham Group Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 December 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

#### **1.2 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.

#### **1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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	2% straight line basis
Land and buildings Leasehold	10% straight line basis
Plant and machinery	20% reducing balance
Computer equipment	33.33% straight line basis
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# THE NEEDHAM GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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### 1 Accounting policies

(Continued)

#### 1.4 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

#### 1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and 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.

#### 1.7 Financial instruments

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 balance sheet 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.

#### 1.8 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.

#### 1.9 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 NEEDHAM GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

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### 1 Accounting policies

(Continued)

#### 1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

#### 1.11 Retirement benefits

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

#### 1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

#### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 9 (2016 - 6).

# THE NEEDHAM GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 December 2016	397,737	401,837	799,574
Additions	414,003	201,253	615,256
At 30 November 2017	811,740	603,090	1,414,830
<b>Depreciation and impairment</b>			
At 1 December 2016	44,418	326,654	371,072
Depreciation charged in the year	18,727	21,936	40,663
At 30 November 2017	63,145	348,590	411,735
<b>Carrying amount</b>			
At 30 November 2017	748,595	254,500	1,003,095
At 30 November 2016	353,319	75,183	428,502

### 4 Fixed asset investments

	2017 £	2016 £
Investments	580	300

The investments are valued at cost.

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 December 2016	300
Additions	280
At 30 November 2017	580
<b>Carrying amount</b>	
At 30 November 2017	580
At 30 November 2016	300



# THE NEEDHAM GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2017

<b>5 Debtors</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	2,001	2,000
Amounts owed by group undertakings	502,255	463,954
Other debtors	19,965	18,813
	<u>524,221</u>	<u>484,767</u>
	<u><u>524,221</u></u>	<u><u>484,767</u></u>
<b>6 Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	194,714	80,668
Amounts due to group undertakings	380	-
Corporation tax	45,101	31,556
Other taxation and social security	5,172	4,804
Other creditors	102,334	71,292
	<u>347,701</u>	<u>188,320</u>
	<u><u>347,701</u></u>	<u><u>188,320</u></u>
<b>7 Creditors: amounts falling due after more than one year</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	503,858	172,024
Other creditors	134,372	33,414
	<u>638,230</u>	<u>205,438</u>
	<u><u>638,230</u></u>	<u><u>205,438</u></u>
The bank hold a legal charge over the freehold property.		
Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.		
<b>8 Called up share capital</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
5,050 Ordinary 'A' shares of £1 each	5,050	9,500
1,000 Ordinary 'B' shares of £1 each	1,000	500
4,450 Ordinary 'C' shares of £1 each	4,450	-
	<u>10,500</u>	<u>10,000</u>
	<u><u>10,500</u></u>	<u><u>10,000</u></u>

# THE NEEDHAM GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 NOVEMBER 2017*

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### 9 Operating lease commitments

#### **Lessee**

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

2017	2016
£	£
8,622	6,059
<u>      </u>	<u>      </u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.