

Company registration number: 01254803

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED**

**30 SEPTEMBER 2018**

**LYNN LEWIS LIMITED**



**MENZIES**

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# LYNN LEWIS LIMITED

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## COMPANY INFORMATION

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**Directors**

Val Lewis  
Chris Murdoch  
Carol Murdoch

**Registered number**

01254803

**Registered office**

The Ferry Point  
Ferry Lane  
Shepperton  
Middlesex  
TW17 8NJ

**Independent auditors**

Menzies LLP  
Chartered Accountants & Statutory Auditor  
Centrum House  
36 Station Road  
Egham  
Surrey  
TW20 9LF

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# LYNN LEWIS LIMITED

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# LYNN LEWIS LIMITED

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## GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### Business review

The group achieved a turnover of £4,862,587 (2017 - £7,556,042), resulting in a profit on ordinary activities before interest and taxation of £543,861 (2017 - PBIT of £141,237) mainly driven by lower distribution costs and an exceptional profit of £615,954 on the sale of property.

During the year the group sold two of its freehold properties which enabled the restructuring of bank borrowings. The group bank borrowing reduced by £1,597,513. This will reduce the interest expenses going forward.

The group continues to focus on its core wholesale, tourist retail, boatyard and moorings business.

### Principal risks and uncertainties

The main risk to the group is significant swings in exchange rates affecting its Far East purchasing power and the uncertainty of Brexit on its European customers.

### Financial key performance indicators

The group continues to use a series of Key Performance Indicators to monitor the operations of the business including:

1. Branch profitability.

Individual branches performance is carefully monitored against budget and historic performance.

2. Gross margin.

The blended gross profit margin is 55% (2017 - 53%). This is achieved across the varied revenue streams (internet, retail and wholesale).

3. Stock turnover and levels by category and line.

The group's stock holding has marginally fallen by 2%, in line with expectations after the previous year's restructure.

4. Cashflow.

The directors use year on year comparisons and cash flow forecasting, which take account of seasonality, to monitor the working capital availability and plan accordingly.

5. Debtors

A high proportion of the group's trade is retail and internet based where credit is not provided and therefore the company's exposure to credit risk is reasonably insignificant. This can be shown through a strong history of low unmanageable debt levels. The credit control team in addition continues to exercise strong control over its debt management.

### Financial instruments

The group's financial risk management objectives and policies primarily relate to cash flow risk and credit risk;

a) Cash flow risk

The directors monitor the cash levels of the group to ensure that they are always cash funds available to meet the day to day working capital requirements of the company.

b) Credit risk

The group routinely carries out credit checks on new customers. In many cases advance payments are requested by overseas suppliers.

c) Exchange rate risk

The group purchases most of stock from the Far East with many of those products denominated in US Dollars. The company periodically uses financial hedges against a proportion of this risk and will also make advance payments to suppliers in many cases although its business remains exposed to substantial changes in the exchange rate. Should it be required this would, to some extent, be managed by changes within the supply chain.

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# LYNN LEWIS LIMITED

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## GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### Going concern

The directors are confident that the group is returning to trading profitably and within its financing facilities and have a reasonable expectation that the company and group has adequate resources to continue operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### Future developments

The group continues to focus on its core business to business tourism wholesaling business that is immune to discounted retailing on the internet. The group continues to successfully retail from tourist sites.

This report was approved by the board and signed on its behalf.

  
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**Chris Murdoch**  
Director

Date: 30.12.2018

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# LYNN LEWIS LIMITED

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## DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018

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The directors present their report and the financial statements for the year ended 30 September 2018.

### **Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Results and dividends**

The profit for the year, after taxation, amounted to £349,868 (2017 - loss £47,093).

During the year a dividend of £6,560 (2017 - £11,973) was paid to the shareholders.

### **Directors**

The directors who served during the year were:

Lynn Lewis (deceased 20 September 2018)  
Val Lewis  
Chris Murdoch  
Carol Murdoch

### **Matters covered in the strategic report**

The Group has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) regulations 2013 to set out within the Group's Strategic Report, the Group's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been in the business review, details of the principal risks and uncertainties and future developments.

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# LYNN LEWIS LIMITED

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## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### Disclosure of information to auditors

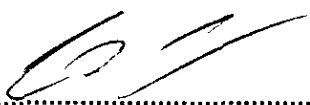
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

### Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



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**Chris Murdoch**  
Director

Date:

30 Sep 2019

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LYNN LEWIS LIMITED**

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**Opinion**

We have audited the financial statements of Lynn Lewis Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2018, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 September 2018 and of the Group's 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LYNN LEWIS LIMITED (CONTINUED)**

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**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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LYNN LEWIS LIMITED

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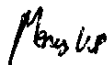
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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LYNN  
LEWIS LIMITED (CONTINUED)

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**Use of our report**

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 Auditors' 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.



Andrew Cook FCA (Senior Statutory Auditor)

for and on behalf of  
**Menzies LLP**

Chartered Accountants  
Statutory Auditor

Centrum House  
36 Station Road  
Egham  
Surrey  
TW20 9LF

Date: 31/5/19

# LYNN LEWIS LIMITED

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Note	2018 £	2017 £
Turnover	4	4,862,587	7,556,042
Cost of sales		(2,171,170)	(3,504,705)
<b>Gross profit</b>		<b>2,691,417</b>	<b>4,051,337</b>
Distribution costs		(425,155)	(1,480,957)
Administrative expenses		(2,360,122)	(2,778,715)
Exceptional income/(expense)	14	615,954	(169,072)
Other operating income	5	7,767	66,406
Fair value movements		-	452,238
<b>Operating profit</b>	6	<b>529,861</b>	<b>141,237</b>
Interest receivable and similar income	10	1,804	13
Interest payable and expenses	11	(144,769)	(146,370)
<b>Profit/(loss) before taxation</b>		<b>386,896</b>	<b>(5,120)</b>
Tax on profit/(loss)	12	(37,028)	(41,973)
<b>Profit/(loss) for the financial year</b>		<b>349,868</b>	<b>(47,093)</b>
Deferred tax on fixed assets		(2,000)	31,000
<b>Other comprehensive income for the year</b>		<b>(2,000)</b>	<b>31,000</b>
<b>Total comprehensive income for the year</b>		<b>347,868</b>	<b>(16,093)</b>
<b>Profit/(loss) for the year attributable to:</b>			
Owners of the parent Company		349,868	(47,093)
		<b>349,868</b>	<b>(47,093)</b>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the parent Company		347,868	(16,093)
		<b>347,868</b>	<b>(16,093)</b>

The notes on pages 15 to 34 form part of these financial statements.

**LYNN LEWIS LIMITED**  
**REGISTERED NUMBER:01254803**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets excluding negative goodwill		667	1,467
Negative goodwill		(6,758)	(7,625)
Intangible assets	15	(6,091)	(6,158)
Tangible assets	16	3,030,253	4,313,035
Investment property	18	2,525,000	2,525,000
		<u>5,549,162</u>	<u>6,831,877</u>
<b>Current assets</b>			
Stocks	19	1,541,265	1,565,450
Debtors: amounts falling due within one year	20	746,606	738,241
Cash at bank and in hand	21	594,857	68,076
		<u>2,882,728</u>	<u>2,371,767</u>
Creditors: amounts falling due within one year	22	(2,447,990)	(3,575,192)
<b>Net current assets/(liabilities)</b>		<u>434,738</u>	<u>(1,203,425)</u>
<b>Total assets less current liabilities</b>		<u>5,983,900</u>	<u>5,628,452</u>
Creditors: amounts falling due after more than one year	23	(1,754,990)	(1,680,637)
<b>Provisions for liabilities</b>			
Deferred taxation	27	(447,000)	(453,000)
Other provisions	28	-	(54,213)
		<u>(447,000)</u>	<u>(507,213)</u>
<b>Net assets</b>		<u><u>3,781,910</u></u>	<u><u>3,440,602</u></u>
<b>Capital and reserves</b>			
Called up share capital	29	127,864	127,864
Revaluation reserve	30	1,027,781	1,589,543
Other reserves	30	802,746	802,746
Profit and loss account	30	1,673,519	770,449
<b>Equity attributable to owners of the parent Company</b>		<u>3,631,910</u>	<u>3,290,602</u>
Non-controlling interests	30	150,000	150,000
		<u><u>3,781,910</u></u>	<u><u>3,440,602</u></u>

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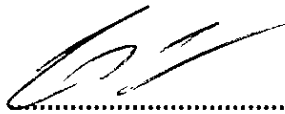
**LYNN LEWIS LIMITED**  
REGISTERED NUMBER:01254803

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 30 SEPTEMBER 2018**

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The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
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**Chris Murdoch**

Director

Date:

30.11.2019

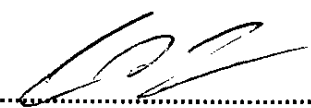
The notes on pages 15 to 34 form part of these financial statements.

**LYNN LEWIS LIMITED**  
**REGISTERED NUMBER:01254803**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	16	1,067	1,426
Investments	17	58,446	58,446
Investment property	18	1,400,000	1,400,000
		<u>1,459,513</u>	<u>1,459,872</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	20	3,597,954	2,901,787
Cash at bank and in hand	21	282,899	6,672
		<u>3,880,853</u>	<u>2,908,459</u>
Creditors: amounts falling due within one year	22	(124,912)	(401,040)
<b>Net current assets</b>		<u>3,755,941</u>	<u>2,507,419</u>
<b>Total assets less current liabilities</b>		<u>5,215,454</u>	<u>3,967,291</u>
Creditors: amounts falling due after more than one year	23	(1,754,990)	(512,555)
<b>Provisions for liabilities</b>			
Deferred taxation	27	(108,000)	(109,000)
		<u>(108,000)</u>	<u>(109,000)</u>
<b>Net assets</b>		<u>3,352,464</u>	<u>3,345,736</u>
<b>Capital and reserves</b>			
Called up share capital	29	127,864	127,864
Profit and loss account brought forward		3,217,872	3,208,730
Profit for the year		13,288	21,115
Dividends paid		(6,560)	(11,973)
Profit and loss account carried forward		<u>3,224,600</u>	<u>3,217,872</u>
		<u>3,352,464</u>	<u>3,345,736</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
.....  
**Chris Murdoch**

Director

Date:

*30 Mar 2018*

The notes on pages 15 to 34 form part of these financial statements.

# LYNN LEWIS LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Called up share capital £	Revaluation reserve £	Other reserves £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
<b>At 1 October 2016</b>	127,864	1,594,254	802,746	793,804	3,318,668	150,000	3,468,668
<b>Comprehensive income for the year</b>							
Loss for the year	-	-	-	(47,093)	(47,093)	-	(47,093)
Deferred tax on fixed assets	-	31,000	-	-	31,000	-	31,000
<b>Total comprehensive income for the year</b>	-	31,000	-	(47,093)	(16,093)	-	(16,093)
Dividends: Equity capital	-	-	-	(11,973)	(11,973)	-	(11,973)
Transfer to/from profit and loss account	-	(35,711)	-	35,711	-	-	-
<b>Total transactions with owners</b>	-	(35,711)	-	23,738	(11,973)	-	(11,973)
<b>At 1 October 2017</b>	127,864	1,589,543	802,746	770,449	3,290,602	150,000	3,440,602
<b>Comprehensive income for the year</b>							
Profit for the year	-	-	-	349,868	349,868	-	349,868
Deferred tax on fixed assets	-	(2,000)	-	-	(2,000)	-	(2,000)
<b>Total comprehensive income for the year</b>	-	(2,000)	-	349,868	347,868	-	347,868
Dividends: Equity capital	-	-	-	(6,560)	(6,560)	-	(6,560)
Transfer to/from profit and loss account	-	(559,762)	-	559,762	-	-	-
<b>Total transactions with owners</b>	-	(559,762)	-	553,202	(6,560)	-	(6,560)
<b>At 30 September 2018</b>	127,864	1,027,781	802,746	1,673,519	3,631,910	150,000	3,781,910

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# LYNN LEWIS LIMITED

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## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2018

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	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 October 2016</b>	<b>127,864</b>	<b>3,208,730</b>	<b>3,336,594</b>
Profit for the year	-	21,115	21,115
Dividends: Equity capital	-	(11,973)	(11,973)
<b>At 1 October 2017</b>	<b>127,864</b>	<b>3,217,872</b>	<b>3,345,736</b>
Profit for the year	-	13,288	13,288
Dividends: Equity capital	-	(6,560)	(6,560)
<b>At 30 September 2018</b>	<b>127,864</b>	<b>3,224,600</b>	<b>3,352,464</b>

The notes on pages 15 to 34 form part of these financial statements.



# LYNN LEWIS LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2018

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	349,868	(47,093)
<b>Adjustments for:</b>		
Amortisation of intangible assets	(67)	(67)
Depreciation of tangible assets	144,819	169,479
Profit on disposal of tangible assets	(644,834)	-
Net fair value losses/(gains) recognised in P&L	-	(452,238)
Interest paid	144,769	146,370
Interest received	(1,804)	(13)
Taxation charge	37,028	41,973
Accrued expenses/(income)	23,343	104,413
Decrease in stocks	24,185	895,152
(Increase) in debtors	(18,351)	(138,588)
(Decrease) in creditors	(122,831)	(335,450)
(Decrease)/increase in provisions	(54,213)	54,213
Corporation tax (paid)/received	(1,670)	1,758
<b>Net cash generated from operating activities</b>	<b>(119,758)</b>	<b>439,909</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(17,604)	(77,426)
Sale of tangible fixed assets	1,800,000	-
Interest received	1,804	13
<b>Net cash from investing activities</b>	<b>1,784,200</b>	<b>(77,413)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(51,338)	(179,639)
Repayment of/new finance leases	(49,473)	(46,816)
Loans due from/(repaid to) directors	(130,510)	22,557
Dividends paid	(6,560)	(11,973)
Interest paid	(144,769)	(146,370)
<b>Net cash used in financing activities</b>	<b>(382,650)</b>	<b>(362,241)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,281,792</b>	<b>255</b>
Cash and cash equivalents at beginning of year	(686,935)	(687,190)
<b>Cash and cash equivalents at the end of year</b>	<b>594,857</b>	<b>(686,935)</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	594,857	(686,935)
	<b>594,857</b>	<b>(686,935)</b>

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 1. General Information

Lynn Lewis Limited (01254803) is a private company limited by shares incorporated in England and Wales. The address of the registered office are provided in the company information page of these financial statements.

### 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The group's functional and presentational currency is GBP.

The following principal accounting policies have been applied:

#### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. *They are deconsolidated from the date control ceases.*

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 October 2014.

#### 2.3 Disclosure exemptions

*The parent company satisfies the criteria of being a qualifying entity as defined in FRS102. As such, advantage has been taken of the following reduced disclosures available under FRS102 in respect of the company:*

- (a) No cash flow statement has been presented;
- (b) Disclosures in respect of financial instruments have not been presented; and
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 2. Accounting policies (continued)

#### 2.4 Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

##### **Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

##### **Rendering of services**

Revenue from rental of properties and moorings are recognised in the period of rental or other services being provided.

#### 2.5 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

#### 2.6 Intangible assets

##### **Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

##### **Other 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.

The estimated useful lives range as follows:

Negative Goodwill	-	Written off to the profit/loss straight line over 5 years
Intellectual property rights	-	5 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### 2.7 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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.

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 2. Accounting policies (continued)

#### 2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives of that asset as follows:

Freehold property	- Straight line over the remaining useful life
Long-term leasehold property	- Over the period of the lease
Motor vehicles	- 25% straight line
Fixtures and fittings	- 25% reducing balance
Office equipment	- 25% reducing balance

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 Consolidated Statement of Comprehensive Income.

#### 2.8 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Consolidated Statement of Comprehensive Income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

#### 2.9 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Consolidated Statement of Comprehensive Income.

#### 2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.11 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 includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

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.

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 2. Accounting policies (continued)

#### 2.12 Financial instruments

The Group 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

#### 2.13 Foreign currency translation

##### 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 Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 2. Accounting policies (continued)

#### 2.14 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.

#### 2.15 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 2.16 Pensions

##### Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income 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 Group in independently administered funds.

#### 2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 Consolidated Statement of Comprehensive Income in the year that the Group 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.

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 2. Accounting policies (continued)

#### 2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Valuation of inventories

The valuation of inventories is reflective of the stock available for sale as at 30 September 2018, with any stock that becomes obsolete during the period being written off straight to the Statement of Comprehensive Income.

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 4. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
Sale of goods	4,555,627	7,301,449
Rendering of services	306,960	254,593
	<u>4,862,587</u>	<u>7,556,042</u>

Analysis of turnover by country of destination:

	2018 £	2017 £
United Kingdom	4,368,209	7,234,250
Rest of the world	494,378	321,792
	<u>4,862,587</u>	<u>7,556,042</u>

### 5. Other operating income

	2018 £	2017 £
Other operating income	7,767	66,406
	<u>7,767</u>	<u>66,406</u>

### 6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	144,819	169,479
Amortisation of intangible assets, including goodwill	(67)	(67)
Exchange differences	7,752	537
Other operating lease rentals	1,342	298
Defined contribution pension cost	12,120	9,362
	<u>165,964</u>	<u>348,611</u>



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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 7. Auditors' remuneration

	2018 £	2017 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>20,000</u>	<u>22,500</u>

### 8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Wages and salaries	1,396,178	1,636,185	24,000	27,000
Social security costs	94,104	106,183	-	-
Cost of defined contribution scheme	12,120	9,362	-	-
	<u>1,502,402</u>	<u>1,751,730</u>	<u>24,000</u>	<u>27,000</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Administrative staff	25	39
Sales & marketing staff	59	56
	<u>84</u>	<u>95</u>

The Company has no employees other than the directors.

### 9. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	<u>24,000</u>	<u>27,000</u>
	<u>24,000</u>	<u>27,000</u>

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 10. Interest receivable

	2018 £	2017 £
Other interest receivable	1,804	13
	<u>1,804</u>	<u>13</u>

### 11. Interest payable and similar expenses

	2018 £	2017 £
Bank interest payable	56,517	70,422
Other interest payable	88,252	75,948
	<u>144,769</u>	<u>146,370</u>

### 12. Taxation

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	43,519	-
Adjustments in respect of previous periods	1,509	-
<b>Total current tax</b>	<u>45,028</u>	<u>-</u>
<b>Deferred tax</b>		
Other timing differences	-	(318)
Excess of taxation allowances over depreciation on fixed assets	-	(2,019)
Deferred tax - losses	(7,000)	(13,690)
Deferred tax on properties	(1,000)	58,000
<b>Total deferred tax</b>	<u>(8,000)</u>	<u>41,973</u>
<b>Taxation on profit on ordinary activities</b>	<u>37,028</u>	<u>41,973</u>

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 12. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - *lower than*) the standard rate of corporation tax in the UK of 19% (2017 - 19.5%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	<u>386,896</u>	<u>334,880</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.5%)	73,510	65,302
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(1,374)	3,675
Capital allowances for year in excess of depreciation	23,010	17,781
Utilisation of tax losses	(33,124)	66,560
Adjustments to tax charge in respect of prior periods	1,670	-
Capital gains	(18,664)	-
Deficit on properties revaluation	-	(153,318)
Deferred tax	(8,000)	41,973
<b>Total tax charge for the year</b>	<u><b>37,028</b></u>	<u><b>41,973</b></u>

### 13. Dividends

	2018 £	2017 £
Ordinary dividend	<u>6,560</u>	<u>11,973</u>
	<u><b>6,560</b></u>	<u><b>11,973</b></u>

# LYNN LEWIS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 14. Exceptional items

	2018 £	2017 £
Restructuring expense	-	(114,859)
Onerous lease provision	-	(54,213)
Profit on sale of property	615,954	-
	<u>615,954</u>	<u>(169,072)</u>

### 15. Intangible assets

#### Group

	Patents £	Goodwill £	Total £
<b>Cost</b>			
At 1 October 2017	4,000	(17,334)	(13,334)
At 30 September 2018	<u>4,000</u>	<u>(17,334)</u>	<u>(13,334)</u>
<b>Amortisation</b>			
At 1 October 2017	2,533	(9,709)	(7,176)
Charge for the year	800	(867)	(67)
At 30 September 2018	<u>3,333</u>	<u>(10,576)</u>	<u>(7,243)</u>
<b>Net book value</b>			
At 30 September 2018	<u>667</u>	<u>(6,758)</u>	<u>(6,091)</u>
At 30 September 2017	<u>1,467</u>	<u>(7,625)</u>	<u>(6,158)</u>

All of the Group's intangible fixed assets are held in the Parent Company.

# LYNN LEWIS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 16. Tangible fixed assets

#### Group

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>						
At 1 October 2017	4,470,000	91,055	165,378	700,863	934,219	6,361,515
Additions	-	-	-	12,042	5,562	17,604
Disposals	(1,310,000)	(20,000)	-	-	-	(1,330,000)
At 30 September 2018	3,160,000	71,055	165,378	712,905	939,781	5,049,119
<b>Depreciation</b>						
At 1 October 2017	440,832	87,805	138,659	551,427	829,757	2,048,480
Charge for the year on owned assets	57,914	1,500	17,194	37,878	30,333	144,819
Disposals	(154,433)	(20,000)	-	-	-	(174,433)
At 30 September 2018	344,313	69,305	155,853	589,305	860,090	2,018,866
<b>Net book value</b>						
At 30 September 2018	2,815,687	1,750	9,525	123,600	79,691	3,030,253
At 30 September 2017	4,029,168	3,250	26,719	149,436	104,462	4,313,035

Included within the net book value of £3,030,253 is £27,163 (2017 - £52,112) relating to assets held under finance lease agreements.

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are £1,483,131 (2017 - £2,034,466) and £287,751 (2017 - £344,011) respectively.

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 16. Tangible fixed assets (continued)

#### Company

	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 October 2017	4,602	54,441	59,043
At 30 September 2018	4,602	54,441	59,043
<b>Depreciation</b>			
At 1 October 2017	4,602	53,015	57,617
Charge for the year on owned assets	-	359	359
At 30 September 2018	4,602	53,374	57,976
<b>Net book value</b>			
At 30 September 2018	-	1,067	1,067
At 30 September 2017	-	1,426	1,426

### 17. Fixed asset investments

#### Company

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 October 2017	58,446
At 30 September 2018	58,446

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Nauticalia Limited	Ordinary	100%
The Ferry Point Limited	Ordinary	100%
Geo.R.Dunton & Co Limited	Ordinary	100%

All of the subsidiaries have a registered office address at Ferry Works Ferry Lane, Shepperton on Thames, Middlesex, TW17 9LQ.

The Ferry Point Limited (09010815) and Geo.R.Dunton & Co Limited (00678950) have taken the exemption in accordance with section 479A of Companies Act 2006 not to be audited.

### 18. Investment property

#### Group

	Freehold investment property £
<b>Valuation</b>	
At 1 October 2017	2,525,000
<b>At 30 September 2018</b>	<b>2,525,000</b>

The Group and Company's investment property was valued internally as at 30 September 2018.

#### Company

	Freehold investment property £
<b>Valuation</b>	
At 1 October 2017	1,400,000
<b>At 30 September 2018</b>	<b>1,400,000</b>

# LYNN LEWIS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 19. Stocks

	Group 2018 £	Group 2017 £
Finished goods and goods for resale	1,541,265	1,565,450
	<u>1,541,265</u>	<u>1,565,450</u>

An impairment loss of £nil (2017 - £nil) was recognised in cost of sales against stock during the year due to slow moving and obsolete stock.

### 20. Debtors

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Trade debtors	608,618	568,040	8,183	7,750
Amounts owed by group undertakings	-	-	3,589,771	2,894,037
Other debtors	1,006	8,609	-	-
Prepayments and accrued income	136,982	147,369	-	-
Tax recoverable	-	14,223	-	-
	<u>746,606</u>	<u>738,241</u>	<u>3,597,954</u>	<u>2,901,787</u>

An impairment loss of £4,213 (2017:10,067) was recognised against trade debtors during the year.

### 21. Cash and cash equivalents

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Cash at bank and in hand	594,857	68,076	282,899	6,672
Less: bank overdrafts	-	(755,011)	-	-
	<u>594,857</u>	<u>(686,935)</u>	<u>282,899</u>	<u>6,672</u>



# LYNN LEWIS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 22. Creditors: Amounts falling due within one year

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Bank overdrafts	-	755,011	-	-
Bank loans	60,209	197,399	60,209	46,391
Trade creditors	324,473	407,167	-	-
Amounts owed to group undertakings	-	-	6,842	318,790
Corporation tax	43,358	-	2,902	-
Other taxation and social security	115,437	125,721	-	-
Obligations under finance lease and hire purchase contracts	-	37,974	-	-
Other creditors	1,585,256	1,745,619	18,193	-
Accruals and deferred income	319,257	306,301	36,766	35,859
	<b>2,447,990</b>	<b>3,575,192</b>	<b>124,912</b>	<b>401,040</b>

The bank loans and overdraft are secured by a fixed and floating charge over the group's assets and an unlimited cross guarantee.

### 23. Creditors: Amounts falling due after more than one year

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Bank loans	1,754,990	1,669,138	1,754,990	512,555
Net obligations under finance leases and hire purchase contracts	-	11,499	-	-
	<b>1,754,990</b>	<b>1,680,637</b>	<b>1,754,990</b>	<b>512,555</b>

Included within creditors: amounts falling due after more than one year is an amount of £nil (2017 - £530,970) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

# LYNN LEWIS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 24. Loans

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
<b>Amounts falling due within one year</b>				
Bank loans	60,209	197,399	60,209	46,391
<b>Amounts falling due 1-2 years</b>				
Bank loans	1,754,990	832,576	1,754,990	206,963
<b>Amounts falling due after more than 5 years</b>				
Bank loans	-	836,562	-	305,592
	<u>1,815,199</u>	<u>1,866,537</u>	<u>1,815,199</u>	<u>558,946</u>

### 25. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2018 £	Group 2017 £
Within one year	-	37,974
Between 1-5 years	-	11,499
	<u>-</u>	<u>49,473</u>

### 26. Financial instruments

	Group 2018 £	Group 2017 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>609,624</u>	<u>576,649</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(4,044,185)</u>	<u>(5,135,144)</u>

Financial assets that are debt instruments measured at amortised cost comprise debtors less prepayments.

Financial liabilities measured at amortised cost comprise creditors less deferred income and taxation payable.

# LYNN LEWIS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 27. Deferred taxation

#### Group

	2018 £
At beginning of year	453,000
Charged to profit or loss	(8,000)
Charged to other comprehensive income	2,000
<b>At end of year</b>	<b>447,000</b>

#### Company

	2018 £
At beginning of year	109,000
Charged to profit or loss	(1,000)
<b>At end of year</b>	<b>108,000</b>

	Group 2018 £	Group 2017 £	Company 2018 £	Company 2017 £
Accelerated capital allowances	33,331	40,322	-	-
Other timing differences	(229)	(1,130)	-	-
Losses carried forward	(33,102)	(64,192)	-	-
Deferred tax on properties	447,000	478,000	108,000	109,000
	<b>447,000</b>	<b>453,000</b>	<b>108,000</b>	<b>109,000</b>

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 28. Provisions

#### Group

	Onerous lease provision £
At 1 October 2017	54,213
Utilised in year	(54,213)
At 30 September 2018	-

### 29. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
127,864 (2017 - 127,864) Ordinary shares of £1.00 each	127,864	127,864

### 30. Reserves

#### Revaluation reserve

The revaluation reserve records the value of asset revaluations and fair value movements on assets recognised in the other comprehensive income.

#### Profit and loss account

The profit and loss account arises from accumulation of the results for the year, and other items taken to comprehensive income or to equity, but not classified in another reserves.

#### Minority interest reserve

The minority interest reserve records retained earnings and accumulated losses attributable to non-controlling interests of the group company.

#### Transfers between reserves

Amounts are transferred between the revaluation reserve and the profit and loss account when the assets are disposed of and the revaluation of the asset becomes realised.

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# LYNN LEWIS LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 31. Commitments under operating leases

At 30 September 2018 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2018 £	Group 2017 £
Not later than 1 year	118,747	213,555
Later than 1 year and not later than 5 years	7,333	196,979
	<u>126,080</u>	<u>410,534</u>

At 30 September 2018 the Group and the Company had future minimum lease receivable under non-cancellable operating leases as follows:

	Group 2018 £	Group 2017 £
Not later than 1 year	37,447	39,997
	<u>37,447</u>	<u>39,997</u>

### 32. Transactions with directors

As at 30 September 2018 the company owed the directors £1,385,504 (2017 - £1,516,014).

	2018 £	2017 £
Balance brought forward	1,516,014	1,493,457
Net interest received	64,800	62,000
Advances from directors	58,860	47,470
Payments to directors	(254,170)	(86,913)
	<u>1,385,504</u>	<u>1,516,014</u>

Interest of £81,500 (2017 - £71,500) was charged on the loans during the year.

### 33. Related party transactions

#### Company

The company has taken advantage of the exemption in FRS102 from the requirement to disclose transactions with group companies on the grounds that all subsidiaries are wholly owned by the group and are included in the consolidated financial statements.

### 34. Controlling party

The directors consider the ultimate controlling party to be the executors of Lynn Lewis.