

# Ricci Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2018

Harland Accountants  
1a Berkeley Court  
Berkeley Vale  
Falmouth  
Cornwall  
TR11 3PB

# Ricci Limited

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# **Ricci Limited**

## **Company Information**

**Director** Mr R Pascoe

**Registered office** Bike Chain  
82 Mount Ambrose  
Redruth  
Cornwall  
TR15 1QR

**Accountants** Harland Accountants  
1a Berkeley Court  
Berkeley Vale  
Falmouth  
Cornwall  
TR11 3PB

# Ricci Limited

(Registration number: 01957633)  
Balance Sheet as at 31 March 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	-	1
Tangible assets	<u>5</u>	484,980	491,913
		<u>484,980</u>	<u>491,914</u>
<b>Current assets</b>			
Stocks	<u>6</u>	316,438	340,995
Debtors	<u>7</u>	56,922	67,229
Cash at bank and in hand		16,710	13,767
		<u>390,070</u>	<u>421,991</u>
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	<u>(426,290)</u>	<u>(400,051)</u>
<b>Net current (liabilities)/assets</b>		<u>(36,220)</u>	<u>21,940</u>
<b>Total assets less current liabilities</b>		<u>448,760</u>	<u>513,854</u>
<b>Creditors: Amounts falling due after more than one year</b>	<u>8</u>	<u>(259,501)</u>	<u>(263,432)</u>
<b>Net assets</b>		<u>189,259</u>	<u>250,422</u>
<b>Capital and reserves</b>			
Called up share capital	<u>9</u>	100	100
Revaluation reserve		200,578	200,578
Profit and loss account		<u>(11,419)</u>	<u>49,744</u>
<b>Total equity</b>		<u>189,259</u>	<u>250,422</u>

For the financial year ending 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

## Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 4 to 11 form an integral part of these financial statements.  
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**Ricci Limited**

**(Registration number: 01957633)**  
**Balance Sheet as at 31 March 2018**

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 21 December 2018

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Mr R Pascoe  
Director

The notes on pages 4 to 11 form an integral part of these financial statements.  
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## **Ricci Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Bike Chain  
82 Mount Ambrose  
Redruth  
Cornwall  
TR15 1QR

These financial statements were authorised for issue by the director on 21 December 2018.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### **Going concern**

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends upon the continued support of the company's director, who has loaned the company money. The director has confirmed that he will not seek repayment unless the company has the funds to fulfil that request.

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

## **Ricci Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **Tax**

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold improvements	5% straight line
Furniture and fittings	15% straight line
Motor vehicles	25% reducing balance
Office equipment	15% straight line

#### **Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

## **Ricci Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **Intangible assets**

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Patent	Fully amortised
Goodwill	Fully amortised

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.



## **Ricci Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 14 (2017 - 19).

# Ricci Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 4 Intangible assets

	Goodwill £	Trademarks, patents and licenses £	Total £
<b>Cost or valuation</b>			
At 1 April 2017	87,000	841	87,841
At 31 March 2018	87,000	841	87,841
<b>Amortisation</b>			
At 1 April 2017	87,000	840	87,840
Amortisation charge	-	1	1
At 31 March 2018	87,000	841	87,841
<b>Carrying amount</b>			
At 31 March 2018	-	-	-
At 31 March 2017	-	1	1

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2017 - £Nil).

# Ricci Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 5 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2017	450,000	104,369	37,061	591,430
Additions	-	3,194	-	3,194
At 31 March 2018	450,000	107,563	37,061	594,624
<b>Depreciation</b>				
At 1 April 2017	-	79,755	19,762	99,517
Charge for the year	-	5,802	4,325	10,127
At 31 March 2018	-	85,557	24,087	109,644
<b>Carrying amount</b>				
At 31 March 2018	450,000	22,006	12,974	484,980
At 31 March 2017	450,000	24,614	17,299	491,913

Included within the net book value of land and buildings above is £450,000 (2017 - £450,000) in respect of freehold land and buildings.

### 6 Stocks

	2018 £	2017 £
Other inventories	316,438	340,995

### 7 Debtors

	2018 £	2017 £
Trade debtors	41,791	23,029
Prepayments	1,011	2,250
Other debtors	14,120	41,950
	56,922	67,229

# Ricci Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 8 Creditors

#### Creditors: amounts falling due within one year

	Note	2018 £	2017 £
<b>Due within one year</b>			
Bank loans and overdrafts	<u>10</u>	98,974	89,152
Trade creditors		240,911	240,285
Director's current account		34,319	20,840
Taxation and social security		18,325	21,387
Other creditors		33,761	28,387
		<u>426,290</u>	<u>400,051</u>
<b>Due after one year</b>			
Loans and borrowings	<u>10</u>	194,123	219,654
Other non-current financial liabilities		65,378	43,778
		<u>259,501</u>	<u>263,432</u>

Included in the bank loans and overdrafts due within one year is a secured bank loan with a carrying value of £18,864.

#### Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
<b>Due after one year</b>			
Loans and borrowings	<u>10</u>	194,123	219,654
Other non-current financial liabilities		65,378	43,778
		<u>259,501</u>	<u>263,432</u>

# Ricci Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 9 Share capital

#### Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100

### 10 Loans and borrowings

	2018 £	2017 £
<b>Non-current loans and borrowings</b>		
Bank borrowings	191,201	210,019
Finance lease liabilities	2,922	9,635
	<u>194,123</u>	<u>219,654</u>

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Bank borrowings	18,864	18,393
Bank overdrafts	73,398	64,474
Finance lease liabilities	6,712	6,285
	<u>98,974</u>	<u>89,152</u>

Included in non-current loans and borrowings is a secured bank loan with a carrying value of £191,201.

### 11 Related party transactions

Loans of £14,120 (2017 - £41,950) have been advanced to a connected company, Saint Piran Limited, by way of an interest free loan repayable on demand.

Mr R J Pascoe has provided personal assets as security for the company borrowings. The balance outstanding at the balance sheet date was £210,065 (2017 - £228,412).