

HOBBIES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED 28 MARCH 2019



HOBBIES LIMITED
REGISTERED NUMBER: 04777398

STATEMENT OF FINANCIAL POSITION
AS AT 28 MARCH 2019

		28 March 2019 £	31 March 2018 £
	Note		
Fixed assets			
Intangible assets	4	24,000	28,000
Tangible assets	5	8,495	10,302
		<u>32,495</u>	<u>38,302</u>
Current assets			
Stocks		213,748	246,092
Debtors: amounts falling due within one year	6	27,251	389,894
Cash at bank and in hand		540,608	372,507
		<u>781,607</u>	<u>1,008,493</u>
Creditors: amounts falling due within one year	7	<u>(170,316)</u>	<u>(143,427)</u>
Net current assets		<u>611,291</u>	<u>865,066</u>
Total assets less current liabilities		<u>643,786</u>	<u>903,368</u>
Provisions for liabilities			
Deferred tax		(956)	-
Net assets		<u><u>642,830</u></u>	<u><u>903,368</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		642,730	903,268
		<u><u>642,830</u></u>	<u><u>903,368</u></u>

HOBBIES LIMITED
REGISTERED NUMBER: 04777398

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 28 MARCH 2019

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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


.....
Mr A Higgs
Director

Date: 12/12/2019

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

HOBBIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 MARCH 2019

1. General information

Hobbies Limited is a private company limited by shares and incorporated in England and Wales, registration number 04777398. The registered office is 5-6 Long Lane, Rowley Regis, West Midlands, B65 0JA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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.

HOBBIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 MARCH 2019

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.5 Interest income

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

2.6 Pensions

Defined contribution pension plan

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 MARCH 2019**

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 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 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 Statement of income and retained earnings over its useful economic life, being a period of 20 years.

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.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

HOBBIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 MARCH 2019

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	20%
Office equipment	-	20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

2.15 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.

HOBBIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 MARCH 2019

3. Employees

The average monthly number of employees, including directors, during the period was 9 (2018 - 9).

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2018	80,000
At 28 March 2019	80,000
Amortisation	
At 1 April 2018	52,000
Charge for the year	4,000
At 28 March 2019	56,000
Net book value	
At 28 March 2019	24,000
At 31 March 2018	28,000

HOBBIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 MARCH 2019

5. Tangible fixed assets

	Plant and machinery £	Office equipment £	Total £
Cost or valuation			
At 1 April 2018	32,759	30,707	63,466
Additions	-	317	317
At 28 March 2019	32,759	31,024	63,783
Depreciation			
At 1 April 2018	30,325	22,839	53,164
Charge for the period on owned assets	487	1,637	2,124
At 28 March 2019	30,812	24,476	55,288
Net book value			
At 28 March 2019	1,947	6,548	8,495
At 31 March 2018	2,434	7,868	10,302

6. Debtors

	28 March 2019 £	31 March 2018 £
Amounts owed by joint ventures and associated undertakings	-	389,894
Other debtors	6,906	-
Prepayments and accrued income	20,345	-
	27,251	389,894

Included within other debtors due within one year is an interest free loan to the directors, amounting to £6,906 (2018 - £NIL). No amounts were repaid during the period and the loan is repayable on demand.

HOBBIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 MARCH 2019

7. Creditors: Amounts falling due within one year

	28 March 2019 £	31 March 2018 £
Trade creditors	80,214	59,124
Corporation tax	48,214	40,578
Other taxation and social security	32,717	39,770
Accruals and deferred income	9,171	3,955
	<u>170,316</u>	<u>143,427</u>

8. Related party transactions

During the period, the company wrote off a loan due from Danrik Properties Limited of £389,894. Danrik Properties Limited is jointly owned by Andrew and Caroline Meek - two directors who served in the period.

9. Post balance sheet events

On 29 March 2019, the entire share capital of Hobbies Limited was acquired by T.H.Baker Group Limited. The Directors are not aware of any other consequences for the Company as a result of this transaction as at the date of signing these financial statements.