

Registration number 00885485

# John Sinclair (Sheffield) Limited

Directors' Report and Consolidated Financial Statements

for the Year Ended 30 June 2013



Pegasus House, 463a Glossop Road, Sheffield S10 2QD Telephone (0114) 266 7141

**John Sinclair (Sheffield) Limited**  
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The following pages do not form part of the statutory financial statements

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**John Sinclair (Sheffield) Limited**  
**Company Information**

<b>Directors</b>	C J Sinclair J M Sinclair J C L Sparre
<b>Company secretary</b>	R E Dodd
<b>Registered office</b>	266 Glossop Road Sheffield S10 2HS
<b>Bankers</b>	Barclays Bank plc Ten Pound Walk Doncaster South Yorkshire DN4 5HX
<b>Auditors</b>	Hawsons Chartered Accountants Statutory Auditor Pegasus House 463a Glossop Road Sheffield S10 2QD

**John Sinclair (Sheffield) Limited**  
**Directors' Report for the Year Ended 30 June 2013**

The directors present their report and the audited consolidated financial statements for the year ended 30 June 2013

**Directors of the company**

The directors who held office during the year were as follows

C J Sinclair

J M Sinclair

J C L Sparre

**Principal activity**

The principal activity of the parent company, John Sinclair (Sheffield) Limited continues to be that of merchandising china, glassware and kitchenware, accessories and jewellery, including antiques and exclusive branded products

Other companies in the group continue to be engaged in the merchandising of high quality china and glass products and property development and investment (through Neaversons Limited) and also in deriving income and gains from property (through Aveley Limited)

**Business review**

***Fair review of the business***

At the balance sheet date, the net assets of the group totalled £7,168,561 (2012 - £6,872,673) The financial performance of the group is set out in the financial statements The directors do not recommend the payment of a final dividend

The group relies on its long standing relationships with key manufacturers and suppliers, its levels of service and the appeal of its presentation and store location for its survival and success This inevitably exposes the business to some risk

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for the reader of the accounts to gain an understanding of the development, performance or position of the business General indicators are turnover and profitability which are closely monitored by the directors

**John Sinclair (Sheffield) Limited**  
**Directors' Report for the Year Ended 30 June 2013**

..... **continued**

**Financial risk**

The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and fluctuations in interest rates

The group's principal financial instruments comprise bank balances, trade debtors, trade creditors and loans to the business. The main purpose of these instruments is to finance the group's operations

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the group's cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due

Loans comprise loans from financial institutions and periodic loans from directors. The interest rate and monthly repayments on the loans from financial institutions are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments

**Disclosure of information to the auditors**

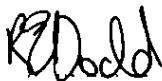
The directors of the company who held office at the date of the approval of this Annual Report as set out above each confirm that

- so far as they are aware, there is no relevant audit information (information needed by the group's auditors in connection with preparing their report) of which the group's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information

**Reappointment of auditors**

The auditors Hawsons Chartered Accountants are deemed to be reappointed under section 487(2) of the Companies Act 2006

Approved by the Board on 02.01.14 and signed on its behalf by



R E Dodd  
Company secretary

## **John Sinclair (Sheffield) Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Directors' Report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and the company 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 and apply them consistently,
- make judgements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent Auditor's Report to the Members of John Sinclair (Sheffield) Limited**

We have audited the financial statements of John Sinclair (Sheffield) Limited for the year ended 30 June 2013, set out on pages 7 to 29. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditor's 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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

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 June 2013 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

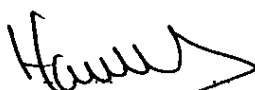
**Independent Auditor's Report to the Members of  
John Sinclair (Sheffield) Limited**

**..... continued**

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

We have nothing to report in respect of the following matters where 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

  
Christopher Hill (Senior Statutory Auditor)  
For and on behalf of Hawsons Chartered Accountants, Statutory Auditor

Pegasus House  
463a Glossop Road  
Sheffield  
S10 2QD

Date 10/1/14



**John Sinclair (Sheffield) Limited**  
**Consolidated Profit and Loss Account for the Year Ended 30 June 2013**

	<b>Note</b>	<b>2013 £</b>	<b>2012 £</b>
Turnover	2	8,158,655	7,785,455
Cost of sales		<u>(6,353,195)</u>	<u>(6,192,822)</u>
Gross profit		1,805,460	1,592,633
Distribution costs		(25,077)	(16,694)
Administrative expenses		(1,820,369)	(1,488,103)
Other operating income	3	<u>449,360</u>	<u>454,520</u>
Group operating profit	4	409,374	542,356
Other interest receivable and similar income		3,141	51
Interest payable and similar charges	7	<u>(39,235)</u>	<u>(44,389)</u>
Profit on ordinary activities before taxation		373,280	498,018
Tax on profit on ordinary activities	8	<u>(63,664)</u>	<u>(17,680)</u>
Profit for the financial year attributable to members of the parent company	19	<u><u>309,616</u></u>	<u><u>480,338</u></u>

Turnover and operating profit derive wholly from continuing operations

The profit on ordinary activities before taxation has been calculated on the historical cost basis

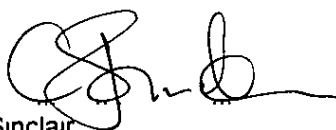
**John Sinclair (Sheffield) Limited**  
**Consolidated Statement of Total Recognised Gains and Losses for the Year**  
**Ended 30 June 2013**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	309,616	480,338
Unrealised surplus on revaluation of properties	<u>-</u>	<u>55,010</u>
Total recognised gains and losses relating to the year	<u><u>309,616</u></u>	<u><u>535,348</u></u>

**John Sinclair (Sheffield) Limited**  
**(Registration number: 00885485)**  
**Consolidated Balance Sheet at 30 June 2013**

			2013		2012
	Note	£	£	£	£
<b>Fixed assets</b>					
Intangible fixed assets			-		-
Tangible fixed assets	10		8,096,043		7,572,186
<b>Current assets</b>					
Stocks	12	1,245,849		1,822,541	
Debtors	13	1,091,028		955,874	
Cash at bank and in hand		89,910		75,767	
		2,426,787		2,854,182	
Creditors Amounts falling due within one year	14	(1,269,494)		(1,350,300)	
Net current assets			1,157,293		1,503,882
Total assets less current liabilities			9,253,336		9,076,068
Creditors Amounts falling due after more than one year	15		(2,053,775)		(2,194,395)
Provisions for liabilities	16		(31,000)		(9,000)
Net assets			7,168,561		6,872,673
<b>Capital and reserves</b>					
Called up share capital	17	320,000		320,000	
Revaluation reserve	19	55,010		55,010	
Profit and loss account	19	6,793,551		6,497,663	
Shareholders' funds	20		7,168,561		6,872,673


These financial statements were approved and authorised for issue by the Board on 02.01.14 and signed on its behalf by

  
C J Sinclair  
Director

**John Sinclair (Sheffield) Limited**  
**(Registration number: 00885485)**  
**Balance Sheet at 30 June 2013**

	Note	2013 £	2012 £
<b>Fixed assets</b>			
Intangible fixed assets		-	-
Tangible fixed assets	10	1,722,986	1,658,429
Investments	11	230,456	230,456
		<u>1,953,442</u>	<u>1,888,885</u>
<b>Current assets</b>			
Stocks	12	555,030	588,413
Debtors	13	3,830,142	3,871,249
Cash at bank and in hand		86,843	72,564
		<u>4,472,015</u>	<u>4,532,226</u>
Creditors Amounts falling due within one year	14	(1,647,702)	(1,661,956)
Net current assets		<u>2,824,313</u>	<u>2,870,270</u>
Total assets less current liabilities		4,777,755	4,759,155
Creditors Amounts falling due after more than one year	15	(34,977)	(50,074)
Provisions for liabilities	16	(10,000)	-
Net assets		<u>4,732,778</u>	<u>4,709,081</u>
<b>Capital and reserves</b>			
Called up share capital	17	320,000	320,000
Profit and loss account	19	4,412,778	4,389,081
Shareholders' funds	20	<u>4,732,778</u>	<u>4,709,081</u>

These financial statements were approved and authorised for issue by the Board on 02.01.14 and signed on its behalf by



C J Sinclair  
Director

**John Sinclair (Sheffield) Limited**  
**Consolidated Cash Flow Statement for the Year Ended 30 June 2013**

**Cash flow statement**

	Note	2013 £	2012 £
Net cash inflow from operating activities	23	707,914	985,257
<b>Returns on investments and servicing of finance</b>			
Interest received		3,141	51
Interest paid		(39,235)	(44,389)
		(36,094)	(44,338)
Tax paid		(7,279)	-
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(570,861)	(634,634)
Sale of tangible fixed assets		4,200	-
		(566,661)	(634,634)
Equity dividends paid		(13,728)	(13,728)
Net cash inflow before management of liquid resources and financing		84,152	292,557
<b>Financing</b>			
Repayment of loans and borrowings		(172,431)	(177,113)
(Decrease)/increase in cash	24	(88,279)	115,444

**Reconciliation of net cash flow to movement in net debt**

	Note	2013 £	2012 £
(Decrease)/increase in cash		(88,279)	115,444
Cash outflow from repayment of loans		172,431	177,113
Change in net debt resulting from cash flows	24	84,152	292,557
Movement in net debt	24	84,152	292,557
Net debt at 1 July	24	(2,301,985)	(2,594,542)
Net debt at 30 June	24	(2,217,833)	(2,301,985)

**John Sinclair (Sheffield) Limited**  
**Notes to the Financial Statements for the Year Ended 30 June 2013**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards

**Basis of consolidation**

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 June 2013

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its profit for the financial year was £37,425 (2012 - £46,175 loss)

**Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers

**Goodwill**

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	Straight line over 50 years
Leasehold properties	Straight line over the period of the lease
Plant and machinery	20% and 33 33% straight line
Fixtures and fittings	20% straight line
Motor vehicles	25% straight line
Assets under construction	Not depreciated

**Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value

**Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs

## **John Sinclair (Sheffield) Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2013**

**..... continued**

#### **Investment properties**

Certain of the group's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows:

No depreciation is provided in respect of investment properties and they are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This treatment as regards the group's investment properties may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### **Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

#### **Foreign currency**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

#### **Operating leases**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the group is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

#### **Pensions**

The group operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

### 2 Turnover

An analysis of turnover by geographical location is given below

	2013 £	2012 £
Sales - UK	4,892,717	4,235,058
Sales - Rest of the World	3,265,938	3,550,397
	<u>8,158,655</u>	<u>7,785,455</u>

An analysis of turnover by class of business is given below

	2013 £	2012 £
Retail sales	7,563,655	7,172,225
Property development	595,000	613,230
	<u>8,158,655</u>	<u>7,785,455</u>

### 3 Other operating income

	2013 £	2012 £
<b>Other operating income</b>		
Rent receivable	413,608	419,075
Other income	542	4,725
Management charges receivable	35,210	30,720
	<u>449,360</u>	<u>454,520</u>

### 4 Operating profit

Operating profit is stated after charging

	2013 £	2012 £
Operating leases - property rentals	105,500	110,000
Foreign currency gains	(3,164)	(16,093)
Profit on sale of tangible fixed assets	(3,366)	-
Depreciation of owned assets	46,169	30,342
Auditor's remuneration	<u>10,480</u>	<u>10,175</u>



# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... *continued*

### 5 Particulars of employees

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows

	2013 No.	2012 No.
Retail and office staff	49	50
Management	3	3
	<u>52</u>	<u>53</u>

The aggregate payroll costs were as follows

	2013 £	2012 £
Wages and salaries	683,902	669,636
Social security costs	44,857	44,391
Staff pensions	19,345	17,063
	<u>748,104</u>	<u>731,090</u>

### 6 Directors' remuneration

The directors' remuneration for the year was as follows

	2013 £	2012 £
Remuneration (including benefits in kind)	76,759	81,714
Company contributions paid to money purchase schemes	8,482	8,144
	<u>85,241</u>	<u>89,858</u>

During the year the number of directors who were receiving benefits and share incentives was as follows

	2013 No.	2012 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

### 7 Interest payable and similar charges

	2013 £	2012 £
Interest on bank borrowings	33,015	44,389
Other interest payable	6,220	-
Group interest payable and similar charges	<u>39,235</u>	<u>44,389</u>

### 8 Taxation

#### Tax on profit on ordinary activities

	2013 £	2012 £
<b>Current tax</b>		
Corporation tax charge	35,065	680
Adjustments in respect of previous years	6,599	-
UK Corporation tax	<u>41,664</u>	<u>680</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>22,000</u>	<u>17,000</u>
Total tax on profit on ordinary activities	<u>63,664</u>	<u>17,680</u>

#### Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 20% (2012 - 20%)

The differences are reconciled below

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>373,280</u>	<u>498,018</u>
Corporation tax at standard rate	74,656	99,604
Accelerated capital allowances	(16,066)	(11,673)
Expenses not deductible for tax purposes	210	227
Prior year adjustment	6,599	-
Utilisation of tax losses	(11,644)	-
Capital expenditure relief	<u>(12,091)</u>	<u>(87,478)</u>
Total current tax	<u>41,664</u>	<u>680</u>

**John Sinclair (Sheffield) Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**..... continued**

**9 Intangible fixed assets**

**Group**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 July 2012	107,174
At 30 June 2013	107,174
<b>Amortisation</b>	
At 1 July 2012	107,174
At 30 June 2013	107,174
<b>Net book value</b>	
At 30 June 2013	-
At 30 June 2012	-

**Company**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 July 2012	10,231
At 30 June 2013	10,231
<b>Amortisation</b>	
At 1 July 2012	10,231
At 30 June 2013	10,231
<b>Net book value</b>	
At 30 June 2013	-
At 30 June 2012	-

**John Sinclair (Sheffield) Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2013**

..... *continued*

**10 Tangible fixed assets**

**Group**

	Freehold land and buildings £	Investment properties £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Assets under construction £	Total £
<b>Cost or valuation</b>							
At 1 July 2012	1,925,578	6,101,360	159,963	577,843	54,697	-	8,819,441
Additions	-	58,536	6,982	67,067	35,489	402,787	570,861
Disposals	-	-	(49,954)	-	(25,177)	-	(75,131)
At 30 June 2013	1,925,578	6,159,896	116,991	644,910	65,009	402,787	9,315,171
<b>Depreciation</b>							
At 1 July 2012	318,638	216,000	137,105	534,826	40,686	-	1,247,255
Charge for the year	13,416	-	9,133	12,899	10,721	-	46,169
Eliminated on disposals	-	-	(49,119)	-	(25,177)	-	(74,296)
At 30 June 2013	332,054	216,000	97,119	547,725	26,230	-	1,219,128
<b>Net book value</b>							
At 30 June 2013	1,593,524	5,943,896	19,872	97,185	38,779	402,787	8,096,043
At 30 June 2012	1,606,940	5,885,360	22,858	43,017	14,011	-	7,572,186

**John Sinclair (Sheffield) Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2013**

..... *continued*

**Investment properties**

Investment properties are valued at the open market value by Mr C J Sinclair, a director of the company

**Company**

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 July 2012	1,925,578	157,114	549,851	54,697	2,687,240
Additions	-	5,553	63,794	35,489	104,836
Disposals	-	(49,954)	-	(25,177)	(75,131)
At 30 June 2013	1,925,578	112,713	613,645	65,009	2,716,945
<b>Depreciation</b>					
At 1 July 2012	318,638	134,721	534,766	40,686	1,028,811
Charge for the year	13,416	8,663	6,644	10,721	39,444
Eliminated on disposals	-	(49,119)	-	(25,177)	(74,296)
At 30 June 2013	332,054	94,265	541,410	26,230	993,959
<b>Net book value</b>					
At 30 June 2013	1,593,524	18,448	72,235	38,779	1,722,986
At 30 June 2012	1,606,940	22,393	15,085	14,011	1,658,429

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

### 11 Investments held as fixed assets

#### Company

	2013 £	2012 £
Shares in group undertakings	<u>230,456</u>	<u>230,456</u>

#### Shares in group undertakings

	Subsidiary undertakings £
<b>Cost</b>	
At 1 July 2012	<u>230,456</u>
At 30 June 2013	<u>230,456</u>
<b>Net book value</b>	
At 30 June 2013	<u>230,456</u>

#### Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
<b>Subsidiary undertakings</b>			
Neaversons Limited	Ordinary	100%	Sale of quality china and glassware and property development
Aveley Limited	Ordinary	100%	Property development

The above subsidiaries are included within the consolidated accounts

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

### 12 Stocks

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Stocks	<u>1,245,849</u>	<u>1,822,541</u>	<u>555,030</u>	<u>588,413</u>

### 13 Debtors

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	484,295	606,073	43,875	102,934
Amounts owed by group undertakings	-	-	3,222,367	3,454,700
Directors' current accounts	164,592	-	164,592	-
Prepayments and accrued income	<u>442,141</u>	<u>349,801</u>	<u>399,308</u>	<u>313,615</u>
	<u>1,091,028</u>	<u>955,874</u>	<u>3,830,142</u>	<u>3,871,249</u>

Group debtors includes £nil (2012 - £nil) receivable after more than one year and parent company debtors includes £3,222,367 (2012 - £3,454,700) receivable after more than one year

This can be analysed as follows

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>3,222,367</u>	<u>3,454,700</u>

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

### 14 Creditors: Amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade creditors	709,794	779,479	649,441	710,359
Bank loans and overdrafts	253,968	183,357	128,445	56,431
Amounts owed to group undertakings	-	-	638,550	538,212
Corporation tax	35,065	680	-	-
Other taxes and social security	102,076	103,508	137,602	234,787
Other creditors	15,131	22,079	15,131	20,579
Directors' current accounts	10,760	97,779	10,760	22,779
Accruals and deferred income	142,700	163,418	67,773	78,809
	<u>1,269,494</u>	<u>1,350,300</u>	<u>1,647,702</u>	<u>1,661,956</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the group/company

#### Group

	2013	2012
	£	£
Bank loans and overdrafts	<u>253,968</u>	<u>183,357</u>

#### Company

	2013	2012
	£	£
Bank loans and overdrafts	<u>128,445</u>	<u>56,431</u>

Bank loans and overdrafts are secured by charges over group properties and by various cross guarantees from the companies within the group. Loans are repayable on a monthly basis with an element of the instalments falling due after more than five years. Interest is charged at a rate of 0.95% over Barclays Bank base rate and 0.95% over LIBOR for each of the differing loan arrangements.



**John Sinclair (Sheffield) Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**..... continued**

**15 Creditors: Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>2,053,775</u>	<u>2,194,395</u>	<u>34,977</u>	<u>50,074</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the group/company

**Group**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>2,053,775</u>	<u>2,194,395</u>

**Company**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>34,977</u>	<u>50,074</u>

Included in creditors are the following amounts due after more than 5 years

	<b>Group</b>		<b>Company</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
After more than five years by instalments	<u>1,516,706</u>	<u>1,651,438</u>	<u>-</u>	<u>9,209</u>

**John Sinclair (Sheffield) Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**..... continued**

**16 Provisions**

**Group**

	<b>Deferred tax £</b>
At 1 July 2012	9,000
Charged to the profit and loss account	<u>22,000</u>
At 30 June 2013	<u><u>31,000</u></u>

**Analysis of deferred tax**

	<b>2013 £</b>	<b>2012 £</b>
Accelerated capital allowances	32,022	21,329
Losses	(686)	(12,329)
Short term timing differences	<u>(336)</u>	<u>-</u>
	<u><u>31,000</u></u>	<u><u>9,000</u></u>

**Company**

	<b>Deferred tax £</b>
At 1 July 2012	-
Charged to the profit and loss account	<u>10,000</u>
At 30 June 2013	<u><u>10,000</u></u>

**Analysis of deferred tax**

	<b>2013 £</b>	<b>2012 £</b>
Accelerated capital allowances	10,336	-
Short term timing differences	<u>(336)</u>	<u>-</u>
	<u><u>10,000</u></u>	<u><u>-</u></u>

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

### 17 Share capital

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

	No.	2013 £	No.	2012 £
Ordinary shares of £1 each	<u>320,000</u>	<u>320,000</u>	<u>320,000</u>	<u>320,000</u>

### 18 Dividends

	2013 £	2012 £
<b>Dividends paid</b>		
Current year interim dividend paid	<u>13,728</u>	<u>13,728</u>

### 19 Reserves

#### Group

	Revaluation reserve £	Profit and loss account £	Total £
At 1 July 2012	55,010	6,497,663	6,552,673
Profit for the year	-	309,616	309,616
Dividends	-	(13,728)	(13,728)
At 30 June 2013	<u>55,010</u>	<u>6,793,551</u>	<u>6,848,561</u>

#### Company

	Profit and loss account £
At 1 July 2012	4,389,081
Profit for the year	37,425
Dividends	<u>(13,728)</u>
At 30 June 2013	<u>4,412,778</u>

## John Sinclair (Sheffield) Limited

### Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

#### 20 Reconciliation of movement in shareholders' funds

##### Group

	2013 £	2012 £
Profit attributable to the members of the group	309,616	480,338
Other recognised gains and losses relating to the year	-	55,010
Dividends	(13,728)	(13,728)
Net addition to shareholders' funds	295,888	521,620
Shareholders' funds at 1 July	6,872,673	6,351,053
Shareholders' funds at 30 June	7,168,561	6,872,673

##### Company

	2013 £	2012 £
Profit/(loss) attributable to the members of the company	37,425	(46,175)
Dividends	(13,728)	(13,728)
Net addition/(reduction) to shareholders' funds	23,697	(59,903)
Shareholders' funds at 1 July	4,709,081	4,768,984
Shareholders' funds at 30 June	4,732,778	4,709,081

#### 21 Pension schemes

##### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £19,345 (2012 - £17,063).

Contributions totalling £1,681 (2012 - £1,681) were payable to the scheme at the end of the year and are included in creditors.

# John Sinclair (Sheffield) Limited

## Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

### 22 Commitments

#### Operating lease commitments

##### Group

As at 30 June 2013 the group had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2013 £	2012 £
<b>Land and buildings</b>		
Within one year	-	80,000
Within two and five years	62,000	-
	<u>62,000</u>	<u>80,000</u>

In addition to the above rental commitments there are additional liabilities to pay rent based on a fixed percentage of turnover for certain rental outlets but these cannot be accurately quantified at the reporting date

##### Company

As at 30 June 2013 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	2013 £	2012 £
<b>Land and buildings</b>		
Within one year	-	80,000
Within two and five years	62,000	-
Over five years	40,000	40,000
	<u>102,000</u>	<u>120,000</u>

In addition to the above rental commitments there are additional liabilities to pay rent based on a fixed percentage of turnover for certain rental outlets but these cannot be accurately quantified at the reporting date

**John Sinclair (Sheffield) Limited**

**Notes to the Financial Statements for the Year Ended 30 June 2013**

**..... continued**

**23 Reconciliation of operating profit to operating cash flows**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Operating profit	409,374	542,356
Depreciation, amortisation and impairment charges	46,169	30,342
Profit on disposal of fixed assets	(3,366)	-
Decrease in stocks	576,692	427,488
Increase in debtors	(135,154)	(63,256)
(Decrease)/increase in creditors	(185,801)	48,327
Net cash inflow from operating activities	<u>707,914</u>	<u>985,257</u>

**24 Analysis of net debt**

	<b>At 1 July 2012</b>	<b>Cash flow</b>	<b>Other</b>	<b>At 30 June</b>
	<b>£</b>	<b>£</b>	<b>non-cash</b>	<b>2013</b>
			<b>changes</b>	<b>£</b>
			<b>£</b>	
Cash at bank and in hand	75,767	14,143	-	89,910
Bank overdraft	(12,574)	(102,422)	-	(114,996)
	<u>63,193</u>	<u>(88,279)</u>	<u>-</u>	<u>(25,086)</u>
Debt due within one year	(170,783)	170,783	(138,972)	(138,972)
Debt due after more than one year	(2,194,395)	1,648	138,972	(2,053,775)
Net debt	<u>(2,301,985)</u>	<u>84,152</u>	<u>-</u>	<u>(2,217,833)</u>

## John Sinclair (Sheffield) Limited

### Notes to the Financial Statements for the Year Ended 30 June 2013

..... continued

#### 25 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group

During the year the company made the following related party transactions

##### **Mr J C L Sparre**

(a director of the company)

Directors' current accounts due within one year includes a loan to the company from Mr J C L Sparre on which no interest has been charged. At the balance sheet date the amount due to Mr J C L Sparre was £10,760 (2012 - £17,778)

##### **Mr C J Sinclair**

(a director of the company)

At the beginning of the current period, Mr C J Sinclair had loaned funds to the group which were repaid in full during the period along with interest amounting to £6,220. The group then advanced funds to Mr C J Sinclair which were still outstanding at the balance sheet date. At the balance sheet date the amount due from/(to) Mr C J Sinclair was £164,592 (2012 - (£75,000))

Subsequent to the balance sheet date, Mr C J Sinclair repaid £155,000 in September 2013 against the above loan amount

During the period the following dividends were paid to the directors

	2013	2012
	£	£
C J Sinclair	5,002	5,002
J M Sinclair	1,978	1,978