

**NEEDHAM INKS LIMITED**

**Company Registration No. 09200825 (England and Wales)**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 2020**

**PAGES FOR FILING WITH REGISTRAR**

# NEEDHAM INKS LIMITED

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# NEEDHAM INKS LIMITED

## BALANCE SHEET

AS AT 30 NOVEMBER 2020

		2020		2019	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	4		250,499		352,013
Tangible assets	5		126,763		136,192
			<u>377,262</u>		<u>488,205</u>
<b>Current assets</b>					
Stocks		527,912		619,621	
Debtors	6	1,355,741		1,204,089	
Cash at bank and in hand		23,029		432	
		<u>1,906,682</u>		<u>1,824,142</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(892,228)</u>		<u>(1,214,326)</u>	
<b>Net current assets</b>			<u>1,014,454</u>		<u>609,816</u>
<b>Total assets less current liabilities</b>			<u>1,391,716</u>		<u>1,098,021</u>
<b>Creditors: amounts falling due after more than one year</b>	8		(272,431)		-
<b>Provisions for liabilities</b>			<u>(17,156)</u>		<u>(18,547)</u>
<b>Net assets</b>			<u><u>1,102,129</u></u>		<u><u>1,079,474</u></u>
<b>Capital and reserves</b>					
Called up share capital			100		100
Profit and loss reserves			1,102,029		1,079,374
			<u>1,102,129</u>		<u>1,079,474</u>
<b>Total equity</b>			<u><u>1,102,129</u></u>		<u><u>1,079,474</u></u>

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

For the financial year ended 30 November 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

**NEEDHAM INKS LIMITED**

**BALANCE SHEET (CONTINUED)**

***AS AT 30 NOVEMBER 2020***

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The financial statements were approved by the board of directors and authorised for issue on 31 August 2021 and are signed on its behalf by:

Mr A R Ellis  
**Director**

**Company Registration No. 09200825**

# NEEDHAM INKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 1 Accounting policies

#### Company information

Needham Inks Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2a-2b, Waymills Industrial Estate, Waymills, Whitchurch, Shropshire, SY13 1TT.

#### 1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

#### 1.2 Going concern

The World Health Organization declared Covid-19 a global pandemic on 11 March 2020 and the UK went into lockdown on 23 March 2020. Due to the nature of the Company's business activities, the impact on trading was minimal and the directors assess the Covid-19 pandemic will not affect the Company's ability to continue as a going concern.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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

#### 1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred.

#### 1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is five to ten years.

#### 1.6 Tangible fixed assets

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

# NEEDHAM INKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10% straight line
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance
Computer equipment	33.33% straight line

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

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### 1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# NEEDHAM INKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

#### 1.13 Employee benefits

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

#### 1.14 Retirement benefits

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

#### 1.15 Leases

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

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

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.17 Foreign exchange

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

# NEEDHAM INKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

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### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	31	25

### 4 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 December 2019 and 30 November 2020	609,899
<b>Amortisation and impairment</b>	
At 1 December 2019	257,886
Amortisation charged for the year	101,514
At 30 November 2020	359,400
<b>Carrying amount</b>	
At 30 November 2020	250,499
At 30 November 2019	352,013

# NEEDHAM INKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

5	Tangible fixed assets	Land and buildings	Plant and machinery etc	Total
		£	£	£
	<b>Cost</b>			
	At 1 December 2019	40,335	169,198	209,533
	Additions	2,430	14,162	16,592
	Disposals	-	(317)	(317)
	At 30 November 2020	42,765	183,043	225,808
	<b>Depreciation and impairment</b>			
	At 1 December 2019	1,758	71,583	73,341
	Depreciation charged in the year	4,256	21,624	25,880
	Eliminated in respect of disposals	-	(176)	(176)
	At 30 November 2020	6,014	93,031	99,045
	<b>Carrying amount</b>			
	At 30 November 2020	36,751	90,012	126,763
	At 30 November 2019	38,577	97,615	136,192
	<b>6 Debtors</b>		<b>2020</b>	<b>2019</b>
	<b>Amounts falling due within one year:</b>		<b>£</b>	<b>£</b>
	Trade debtors		368,589	437,306
	Amounts owed by group undertakings		900,409	709,628
	Other debtors		86,743	57,155
			1,355,741	1,204,089
	<b>7 Creditors: amounts falling due within one year</b>		<b>2020</b>	<b>2019</b>
			<b>£</b>	<b>£</b>
	Bank loans and overdrafts		263,655	151,074
	Trade creditors		179,292	427,708
	Amounts owed to group undertakings		396,549	590,201
	Taxation and social security		18,982	17,076
	Other creditors		33,750	28,267
			892,228	1,214,326

The bank hold a fixed and floating charge over all the property or undertakings of the company.

# NEEDHAM INKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

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**8 Creditors: amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	265,680	-
Other creditors	6,751	-
	<u>272,431</u>	<u>-</u>

**9 Operating lease commitments**

**Lessee**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
	7,093	13,640
	<u>7,093</u>	<u>13,640</u>

**10 Parent company**

The parent company of Needham Inks Limited is The Needham Group Ltd and its registered office is Unit 2B, Civil Industrial Park, Waymills, Whitchurch, Shropshire, SY13 1TT.

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