

AUK Supplies Limited
Annual Report and Unaudited Financial Statements
Year Ended 31 December 2016
Registration number: 05111595

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AUK Supplies Limited

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AUK Supplies Limited

Company Information

Directors Mr M S Besley
Mr A Besley
Mr M Besley
Mrs E Besley

Company secretary Mrs E Besley

Registered office Marsh House
Brunel Road
Newton Abbot
Devon
TQ12 4PB

Accountants Francis Clark LLP
Sigma House
Oak View Close
Edginswell Park
Torquay
Devon
TQ27FF

AUK Supplies Limited

Balance Sheet

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	4	335,968	414,538
Tangible assets	5	<u>1,537,237</u>	<u>1,570,875</u>
		<u>1,873,205</u>	<u>1,985,413</u>
Current assets			
Stocks		563,978	576,206
Debtors	6	705,617	509,583
Cash at bank and in hand		<u>13,256</u>	<u>91,542</u>
		1,282,851	1,177,331
Creditors: Amounts falling due within one year	7	<u>(526,867)</u>	<u>(493,120)</u>
Net current assets		<u>755,984</u>	<u>684,211</u>
Total assets less current liabilities		2,629,189	2,669,624
Creditors: Amounts falling due after more than one year	7	(784,916)	(836,956)
Provisions for liabilities		<u>(33,700)</u>	<u>(29,287)</u>
Net assets		<u>1,810,573</u>	<u>1,803,381</u>
Capital and reserves			
Called up share capital		102	102
Share premium reserve		931,594	931,594
Capital redemption reserve		98,000	58,000
Revaluation reserve		567,436	572,909
Profit and loss account		<u>213,441</u>	<u>240,776</u>
Total equity		<u>1,810,573</u>	<u>1,803,381</u>

The notes on pages 6 to 13 form an integral part of these financial statements.

AUK Supplies Limited

Balance Sheet

31 December 2016

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.


Directors' 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 directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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.

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

Approved and authorised by the Board on ^{12/5/17} and signed on its behalf by:


.....

Mr M S Besley
Director

Company Registration Number: 05111595

AUK Supplies Limited

Statement of Changes in Equity Year Ended 31 December 2016

	Share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2016	102	931,594	58,000	572,909	240,776	1,803,381
Profit for the year	-	-	-	-	116,905	116,905
Revaluation reserve - property deferred tax	-	-	-	2,787	-	2,787
Total comprehensive income	-	-	-	2,787	116,905	119,692
Dividends	-	-	-	-	(112,500)	(112,500)
Purchase of own share capital	-	-	40,000	-	(40,000)	-
Transfers	-	-	-	(8,260)	8,260	-
At 31 December 2016	102	931,594	98,000	567,436	213,441	1,810,573

The notes on pages 6 to 13 form an integral part of these financial statements.
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AUK Supplies Limited

Statement of Changes in Equity Year Ended 31 December 2016

	Share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2015	102	931,594	5,000	581,169	180,414	1,698,279
Profit for the year	-	-	-	-	155,102	155,102
Total comprehensive income	-	-	-	-	155,102	155,102
Dividends	-	-	-	-	(50,000)	(50,000)
Purchase of own share capital	-	-	53,000	-	(53,000)	-
Transfers	-	-	-	(8,260)	8,260	-
At 31 December 2015	102	931,594	58,000	572,909	240,776	1,803,381

The notes on pages 6 to 13 form an integral part of these financial statements.
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AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2016

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:

Marsh House
Brunel Road
Newton Abbot
Devon
TQ12 4PB

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.

Change in basis of accounting

The company's financial statements have been prepared in accordance with FRS102 - the Financial Reporting Standard applicable in the UK and Republic of Ireland. The company has transferred from previously extant UK GAAP to FRS102 as at 1 January 2015. There are no material departures from FRS102.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

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:

Asset class	Amortisation method and rate
Goodwill	20/5/2 years straight line

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2016

Tangible assets

All fixed assets are initially recorded at cost, except for freehold properties acquired before 2015. The properties were revalued at 31 December 2014. In 2016 the directors adopted the transitional provisions of FRS 102, which provide that companies do not have to revalue tangible fixed assets. Previous valuations have been retained as deemed cost and have not been updated.

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

Depreciation

Depreciation on freehold property relates only to freehold buildings. No depreciation has been charged on land owned by the company.

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:

Asset class	Depreciation method and rate
Freehold property	2% straight line
Plant & Machinery	15% reducing balance
Fixtures & Fittings	15% reducing balance/25% straight line
Motor Vehicles	25% reducing balance

Stocks

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.

Foreign currency

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Hire purchase and leasing

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

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and interest is charged to the profit and loss account on a straight line 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 period.

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.

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2016

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Basic financial assets comprise short term trade and other debtors and cash and bank balances. Basic financial liabilities comprise short term trade and other creditors.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 36 (2015 - 36).

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2016

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2016	1,249,841	1,249,841
At 31 December 2016	1,249,841	1,249,841
Amortisation		
At 1 January 2016	835,303	835,303
Amortisation charge	78,570	78,570
At 31 December 2016	913,873	913,873
Carrying amount		
At 31 December 2016	335,968	335,968
At 31 December 2015	414,538	414,538

5 Tangible assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2016	1,446,490	53,049	126,801	210,190	1,836,530
Additions	2,719	-	23,390	18,218	44,327
Disposals	-	-	-	(46,671)	(46,671)
At 31 December 2016	1,449,209	53,049	150,191	181,737	1,834,186
Depreciation					
At 1 January 2016	25,370	36,153	100,176	103,956	265,655
Charge for the year	25,554	2,533	5,900	25,893	59,880
Eliminated on disposal	-	-	-	(28,586)	(28,586)
At 31 December 2016	50,924	38,686	106,076	101,263	296,949
Carrying amount					
At 31 December 2016	1,398,285	14,363	44,115	80,474	1,537,237
At 31 December 2015	1,421,119	16,897	26,625	106,234	1,570,875

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2016

Leased assets

Included within the net book value of tangible fixed assets is £80,474 (2015 - £98,861) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £25,893 (2015 - £32,957).

Revaluation

The fair value of the company's Freehold land and buildings was revalued on 31 December 2014 by an independent valuer.

The property was valued at open market value. The surplus on revaluation was credited to the revaluation reserve.

The company has decided to take advantage of the transitional provision of FRS 102 to treat this valuation as deemed cost

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £821,990 (2015 - £836,422).

6 Debtors

	2016 £	2015 £
Trade debtors	585,907	474,611
Other debtors	59,661	-
Prepayments	60,049	34,972
	<u>705,617</u>	<u>509,583</u>

7 Creditors

	Note	2016 £	2015 £
Due within one year			
Loans and borrowings	8	120,629	60,970
Trade creditors		208,199	189,573
Social security and other taxes		87,275	87,495
Outstanding defined contribution pension costs		381	-
Other creditors		44,670	78,288
Accrued expenses		17,213	12,794
Corporation tax		48,500	64,000
		<u>526,867</u>	<u>493,120</u>
Due after one year			
Loans and borrowings	8	<u>784,916</u>	<u>836,956</u>

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2016

8 Loans and borrowings

	2016 £	2015 £
Non-current loans and borrowings		
Bank borrowings	5,242	26,104
Finance lease liabilities	15,022	6,200
Redeemable preference shares	764,652	804,652
	<u>784,916</u>	<u>836,956</u>

	2016 £	2015 £
Current loans and borrowings		
Bank borrowings	20,000	20,000
Bank overdrafts	87,574	-
Finance lease liabilities	13,055	40,970
	<u>120,629</u>	<u>60,970</u>

Bank borrowings

Bank loans are secured on land and buildings owned by the company.

Hire purchase agreements

Hire purchase agreements are secured on the individual assets taken out on hire purchase.

Redeemable preference shares

The preference shares have a dividend payment of 2% and are redeemable at the discretion of the company.

9 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £90,339 (2015 - £47,200).

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2016

10 Related party transactions

Advances to directors

	At 1 January 2016 £	Advances to director £	Repayments by director £	At 31 December 2016 £
2016				
Mr M S Besley				
Loan repayable on demand with no interest paid.	(8,990)	165,284	(108,007)	48,287
Mr A Besley				
Loan repayable on demand with no interest paid	-	22,245	(11,250)	10,995

11 Transition to FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2015.

11. Transition to FRS 102

Reconciliation of Equity at 1 January 2015

	£
Funds attributable to members at 1 January 2015 under previous UK GAAP	1,117,110
Revaluation of fixed assets	592,956
Deferred tax on revalued assets	(11,787)
Funds attributable to members at 1 January 2015 under FRS 102	<u>1,698,279</u>

Reconciliation of Equity at 31 December 2015

	£
Funds attributable to members at 31 December 2015 under previous UK GAAP	1,230,472
Revaluation of freehold properties	592,956
Increase in depreciation charge for the year	(8,260)
Deferred tax on revaluation of freehold properties	(11,787)
Funds attributable to members at 31 December 2015 under FRS 102	<u>1,803,381</u>

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2016

Reconciliation of Profit and Loss at 31 December 2015

	£
Profit for the year ended 31 December 2015 under previous UK GAAP	163,362
Depreciation on revalued property	<u>(8,260)</u>
Profit for the year ended 31 December 2015 under FRS 102	<u>155,102</u>

Under previous UK GAAP, the company revalued certain freehold property. On transition to FRS 102, the company has adopted to revalue its freehold property at 1 January 2015. The land and buildings will subsequently be held at deemed cost.

Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory Accounts of AUK Supplies Limited

Year Ended 31 December 2016

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of AUK Supplies Limited for the year ended 31 December 2016 as set out on pages 2 to 13 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of AUK Supplies Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of AUK Supplies Limited and state those matters that we have agreed to state to the Board of Directors of AUK Supplies Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than AUK Supplies Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that AUK Supplies Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of AUK Supplies Limited. You consider that AUK Supplies Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of AUK Supplies Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Francis Clark LLP

Francis Clark LLP
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Date: 22 May 2017