

AUK Supplies Limited
Annual Report and Unaudited Financial Statements
Year Ended 31 December 2017

Registration number: 05111595

AUK Supplies Limited

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Financial Statements	<u>4</u> to <u>12</u>

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 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	<u>4</u>	265,318	335,968
Tangible assets	<u>5</u>	<u>1,244,348</u>	<u>1,537,237</u>
		<u>1,509,666</u>	<u>1,873,205</u>
Current assets			
Stocks		504,771	563,978
Debtors	<u>6</u>	612,392	705,617
Cash at bank and in hand		<u>403,664</u>	<u>13,256</u>
		1,520,827	1,282,851
Creditors: Amounts falling due within one year	<u>7</u>	<u>(415,437)</u>	<u>(526,867)</u>
Net current assets		<u>1,105,390</u>	<u>755,984</u>
Total assets less current liabilities		2,615,056	2,629,189
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(779,290)</u>	<u>(784,916)</u>
Provisions for liabilities		<u>(42,000)</u>	<u>(33,700)</u>
Net assets		<u>1,793,766</u>	<u>1,810,573</u>
Capital and reserves			
Called up share capital		102	102
Share premium reserve		931,594	931,594
Capital redemption reserve		98,000	98,000
Revaluation reserve		398,886	567,436
Profit and loss account		<u>365,184</u>	<u>213,441</u>
Total equity		<u>1,793,766</u>	<u>1,810,573</u>

The notes on pages 4 to 12 form an integral part of these financial statements.

AUK Supplies Limited

Balance Sheet

31 December 2017

For the financial year ending 31 December 2017 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 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 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 14 June 2018 and signed on its behalf by:

.....

Mr M S Besley

Director

Company Registration Number: 05111595

The notes on pages 4 to 12 form an integral part of these financial statements.

Page 3

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2017

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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', including Section 1A, and the Companies Act 2006. There are no material departures from FRS 102.

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.

Turnover

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 value added tax.

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 years straight line

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2017

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.

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.

The current corporation 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 taxable income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income.

Movements in deferred tax relating to revalued assets are included in the revaluation reserve .

Deferred tax is determined using tax rates and laws (including indexation relief) that have been enacted or substantively enacted by the reporting date.

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.

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2017

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.

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 30 (2016 - 36).

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2017

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2017	1,249,841	1,249,841
Disposals	(15,840)	(15,840)
At 31 December 2017	<u>1,234,001</u>	<u>1,234,001</u>
Amortisation		
At 1 January 2017	913,873	913,873
Amortisation charge	70,650	70,650
Amortisation eliminated on disposals	(15,840)	(15,840)
At 31 December 2017	<u>968,683</u>	<u>968,683</u>
Carrying amount		
At 31 December 2017	<u>265,318</u>	<u>265,318</u>
At 31 December 2016	<u>335,968</u>	<u>335,968</u>

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2017

5 Tangible assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2017	1,449,209	53,049	150,191	181,737	1,834,186
Additions	104,260	12,393	41,332	9,993	167,978
Disposals	(402,014)	(1,710)	(7,850)	(64,186)	(475,760)
At 31 December 2017	<u>1,151,455</u>	<u>63,732</u>	<u>183,673</u>	<u>127,544</u>	<u>1,526,404</u>
Depreciation					
At 1 January 2017	50,924	38,686	106,076	101,263	296,949
Charge for the year	22,448	3,366	9,171	17,847	52,832
Eliminated on disposal	(19,615)	(1,613)	(2,786)	(43,711)	(67,725)
At 31 December 2017	<u>53,757</u>	<u>40,439</u>	<u>112,461</u>	<u>75,399</u>	<u>282,056</u>
Carrying amount					
At 31 December 2017	<u>1,097,698</u>	<u>23,293</u>	<u>71,212</u>	<u>52,145</u>	<u>1,244,348</u>
At 31 December 2016	<u>1,398,285</u>	<u>14,363</u>	<u>44,115</u>	<u>80,474</u>	<u>1,537,237</u>

Leased assets

Included within the net book value of tangible fixed assets is £52,145 (2016 - £80,474) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £17,847 (2016 - £25,893).

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 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 £590,696 (2016 - £821,990).

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2017

6 Debtors

	2017 £	2016 £
Trade debtors	554,279	585,907
Other debtors	21,978	59,663
Prepayments	36,135	60,047
	<u>612,392</u>	<u>705,617</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	<u>8</u>	8,222	120,629
Trade creditors		241,021	208,199
Corporation tax		29,000	48,500
Social security and other taxes		87,790	87,274
Outstanding defined contribution pension costs		124	381
Other creditors		30,463	44,671
Accrued expenses		18,817	17,213
		<u>415,437</u>	<u>526,867</u>

Due after one year

Loans and borrowings	<u>8</u>	<u>779,290</u>	<u>784,916</u>
----------------------	----------	----------------	----------------

Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	<u>8</u>	<u>779,290</u>	<u>784,916</u>

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2017

8 Loans and borrowings

	2017 £	2016 £
Loans and borrowings due after one year		
Bank borrowings	-	5,242
Finance lease liabilities	14,638	15,022
Redeemable preference shares	764,652	764,652
	<u>779,290</u>	<u>784,916</u>

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	-	20,000
Bank overdrafts	-	87,574
Finance lease liabilities	8,222	13,055
	<u>8,222</u>	<u>120,629</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.

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2017

9 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
'A' Ordinary shares of £1 each	1	1	1	1
'B' Ordinary shares of £1 each	1	1	1	1
'C' Preference shares of £1 each	101,500	101,500	101,500	101,500
'D' Preference shares of £1 each	4	4	4	4
'E' Preference shares of £1 each	703,148	703,148	703,148	703,148
Ordinary shares of £1 each	100	100	100	100
	<u>804,754</u>	<u>804,754</u>	<u>804,754</u>	<u>804,754</u>

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £101,179 (2016 - £90,339).

AUK Supplies Limited

Notes to the Financial Statements

Year Ended 31 December 2017

11 Related party transactions

Transactions with directors

	At 1 January 2017 £	Advances to directors £	Repayments by director £	At 31 December 2017 £
2017				
Mr M S Besley				
Loan repayable on demand with no interest paid.	48,287	81,373	(115,608)	14,052
Mr A Besley				
Loan repayable on demand with no interest paid	10,995	9,503	(12,572)	7,926
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

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.