

**AUK Supplies Limited**  
**Annual Report and Unaudited Financial Statements**  
**Year Ended 31 December 2018**

Registration number: 05111595

# 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 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	204,268	265,318
Tangible assets	<u>5</u>	<u>1,232,324</u>	<u>1,244,348</u>
		<u>1,436,592</u>	<u>1,509,666</u>
<b>Current assets</b>			
Stocks		507,911	504,771
Debtors	<u>6</u>	586,131	612,392
Cash at bank and in hand		<u>454,598</u>	<u>403,664</u>
		1,548,640	1,520,827
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(507,423)</u>	<u>(415,437)</u>
<b>Net current assets</b>		<u>1,041,217</u>	<u>1,105,390</u>
<b>Total assets less current liabilities</b>		2,477,809	2,615,056
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(490,190)</u>	<u>(779,290)</u>
<b>Provisions for liabilities</b>		<u>(46,100)</u>	<u>(42,000)</u>
<b>Net assets</b>		<u>1,941,519</u>	<u>1,793,766</u>
<b>Capital and reserves</b>			
Called up share capital		102	102
Share premium reserve		931,594	931,594
Capital redemption reserve		398,000	98,000
Revaluation reserve		395,476	398,886
Profit and loss account		<u>216,347</u>	<u>365,184</u>
<b>Total equity</b>		<u>1,941,519</u>	<u>1,793,766</u>

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

# AUK Supplies Limited

## Balance Sheet

31 December 2018

For the financial year ending 31 December 2018 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 17 June 2019 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.

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# AUK Supplies Limited

## Notes to the Financial Statements

Year Ended 31 December 2018

### 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 2018

#### 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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
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 2018**

#### **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 31 (2017 - 30).



# AUK Supplies Limited

## Notes to the Financial Statements

Year Ended 31 December 2018

### 4 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 January 2018	1,234,001	1,234,001
Disposals	<u>(48,000)</u>	<u>(48,000)</u>
At 31 December 2018	<u>1,186,001</u>	<u>1,186,001</u>
<b>Amortisation</b>		
At 1 January 2018	968,683	968,683
Amortisation charge	57,050	57,050
Amortisation eliminated on disposals	<u>(44,000)</u>	<u>(44,000)</u>
At 31 December 2018	<u>981,733</u>	<u>981,733</u>
<b>Carrying amount</b>		
At 31 December 2018	<u>204,268</u>	<u>204,268</u>
At 31 December 2017	<u>265,318</u>	<u>265,318</u>

# AUK Supplies Limited

## Notes to the Financial Statements

Year Ended 31 December 2018

### 5 Tangible assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 January 2018	1,151,455	63,733	183,673	127,544	1,526,405
Additions	2,683	1,250	6,941	24,583	35,457
Disposals	-	(3,600)	-	-	(3,600)
At 31 December 2018	<u>1,154,138</u>	<u>61,383</u>	<u>190,614</u>	<u>152,127</u>	<u>1,558,262</u>
<b>Depreciation</b>					
At 1 January 2018	53,757	40,439	112,461	75,399	282,056
Charge for the year	18,076	3,332	11,323	13,548	46,279
Eliminated on disposal	-	(2,397)	-	-	(2,397)
At 31 December 2018	<u>71,833</u>	<u>41,374</u>	<u>123,784</u>	<u>88,947</u>	<u>325,938</u>
<b>Carrying amount</b>					
At 31 December 2018	<u>1,082,305</u>	<u>20,009</u>	<u>66,830</u>	<u>63,180</u>	<u>1,232,324</u>
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>

### Leased assets

Included within the net book value of tangible fixed assets is £63,177 (2017 - £52,145) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £13,548 (2017 - £17,847).

### 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 £680,731 (2017 - £692,714).

# AUK Supplies Limited

## Notes to the Financial Statements

Year Ended 31 December 2018

### 6 Debtors

	2018 £	2017 £
Trade debtors	551,004	554,279
Other debtors	-	21,978
Prepayments	35,127	36,135
	<u>586,131</u>	<u>612,392</u>

### 7 Creditors

#### Creditors: amounts falling due within one year

	Note	2018 £	2017 £
<b>Due within one year</b>			
Loans and borrowings	<u>8</u>	13,965	8,222
Trade creditors		263,253	241,021
Corporation tax		62,000	29,000
Social security and other taxes		103,627	87,790
Outstanding defined contribution pension costs		1,234	124
Other creditors		43,964	30,463
Accrued expenses		19,380	18,817
		<u>507,423</u>	<u>415,437</u>

#### Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
<b>Due after one year</b>			
Loans and borrowings	<u>8</u>	<u>490,190</u>	<u>779,290</u>

# AUK Supplies Limited

## Notes to the Financial Statements

Year Ended 31 December 2018

### 8 Loans and borrowings

	2018 £	2017 £
<b>Loans and borrowings due after one year</b>		
Finance lease liabilities	25,538	14,638
Redeemable preference shares	464,652	764,652
	<u>490,190</u>	<u>779,290</u>

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Finance lease liabilities	13,965	8,222

#### Bank borrowings

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

#### Hire purchase agreements and finance lease liabilities

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 2018

### 9 Share capital

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

	2018		2017	
	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	61,500	61,500	61,500	61,500
'D' Preference shares of £1 each	4	4	4	4
'E' Preference shares of £1 each	403,148	403,148	703,148	703,148
Ordinary shares of £1 each	100	100	100	100
	<u>464,754</u>	<u>464,754</u>	<u>764,754</u>	<u>764,754</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 £104,547 (2017 - £101,179).

