

FRANK KEY TOOL HIRE LIMITED**Financial statements****Information for filing with the registrar****For the Year Ended 31 December 2018**

FRANK KEY TOOL HIRE LIMITED

Company Information

Directors	R M Sansom J V Norton R B Meeks
Company secretary	J V Norton
Registered number	00927963
Registered office	22A Portland Street Daybrook Nottingham NG5 6BL
Independent auditors	Smith Cooper Audit Limited Chartered Accountants and Statutory Auditors 2 Lace Market Square Nottingham NG1 1PB

FRANK KEY TOOL HIRE LIMITED

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FRANK KEY TOOL HIRE LIMITED
Registered number: 00927963

Balance Sheet
As at 31 December 2018

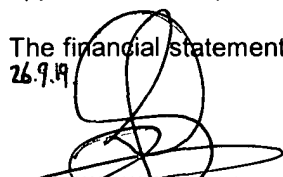
	Note	2018 £	2017 £
Fixed assets			
Tangible fixed assets	3	1,744,554	1,709,313
Investments	4	1,250	1,250
		<u>1,745,804</u>	<u>1,710,563</u>
Current assets			
Stocks	5	501,174	487,773
Debtors: amounts falling due within one year	6	901,759	1,319,604
Cash at bank and in hand		151,511	134,486
		<u>1,554,444</u>	<u>1,941,863</u>
Creditors: amounts falling due within one year	7	(2,444,247)	(2,836,001)
Net current liabilities		<u>(889,803)</u>	<u>(894,138)</u>
Total assets less current liabilities		<u>856,001</u>	<u>816,425</u>
Creditors: amounts falling due after more than one year	8	(138,922)	(178,215)
Net assets		<u><u>717,079</u></u>	<u><u>638,210</u></u>
Capital and reserves			
Called up share capital	11	24,000	24,000
Other reserves		12,000	12,000
Profit and loss account		681,079	602,210
		<u><u>717,079</u></u>	<u><u>638,210</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26.9.19.


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R M Sanson
Director

The notes on pages 2 to 10 form part of these financial statements.

FRANK KEY TOOL HIRE LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

Frank Key Tool Hire Limited is a private company limited by shares incorporated in England within the United Kingdom. The address of the registered office is given in the company information of these financial statements. The company's registration number is 00927963.

The financial statements have been prepared on a going concern basis under the historical cost convention modified to include items at fair value and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. The financial statements therefore present information about the company as an individual undertaking and not about its group. Group accounts are prepared by Frank Key Group Limited and are available from 22a Portland Street, Daybrook, Nottingham, NG5 6BL.

The financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities.

The financial statements are presented in sterling which is the functional currency of the company and are rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Tangible fixed assets

Tangible fixed assets are stated at cost or less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life.

Depreciation is provided on the following basis:

Freehold property	- Not depreciated
Leasehold property improvements	- 10% straight line
Plant and machinery	- 10% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Hire equipment	- over 1 to 5 years straight line

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may be affected.

The directors consider the residual value of the freehold property is at least equal to their net book value and therefore depreciation is not charged in the statement of comprehensive income.

1.3 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

FRANK KEY TOOL HIRE LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

1. Accounting policies (continued)

1.4 Stocks

Stocks are valued at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion, or other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

1.5 Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

1.6 Operating leases

Rentals paid under operating leases are charged to the profit and loss on a straight line basis over the lease term.

1.7 Pensions

The company operates a defined contribution plan for the benefit of its employees.

Contributions to the group pension scheme are charged to the profit and loss account in the year in which the contribution is paid.

1.8 Revenue

Revenue is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. The policies adopted for the recognition of revenue are as follows:

Sale of goods

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

1.9 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

FRANK KEY TOOL HIRE LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

1. Accounting policies (continued)

1.10 Current and deferred taxation

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

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Notes to the Financial Statements For the Year Ended 31 December 2018

2. Employees

The average monthly number of employees, including directors, during the year was 73 (2017 - 73).

3. Tangible fixed assets

	Freehold property £	Leasehold property improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £
Cost					
At 1 January 2018	985,250	403,800	130,849	374,728	65,266
Additions	-	5,070	13,287	47,570	25,843
Disposals	-	-	-	(13,310)	-
At 31 December 2018	<u>985,250</u>	<u>408,870</u>	<u>144,136</u>	<u>408,988</u>	<u>91,109</u>
Depreciation					
At 1 January 2018	-	356,247	129,608	202,295	48,461
Charge for the year on owned assets	-	8,063	1,652	15,133	13,629
Charge for the year on financed assets	-	-	-	39,486	-
Disposals	-	-	-	(9,898)	-
At 31 December 2018	<u>-</u>	<u>364,310</u>	<u>131,260</u>	<u>247,016</u>	<u>62,090</u>
Net book value					
At 31 December 2018	<u>985,250</u>	<u>44,560</u>	<u>12,876</u>	<u>161,972</u>	<u>29,019</u>
At 31 December 2017	<u>985,250</u>	<u>47,553</u>	<u>1,241</u>	<u>172,433</u>	<u>16,805</u>

FRANK KEY TOOL HIRE LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

3. Tangible fixed assets (continued)

	Hire equipment £	Total £
Cost		
At 1 January 2018	2,915,904	4,875,797
Additions	225,429	317,199
Disposals	(256,076)	(269,386)
At 31 December 2018	2,885,257	4,923,610
Depreciation		
At 1 January 2018	2,429,873	3,166,484
Charge for the year on owned assets	150,518	188,995
Charge for the year on financed assets	36,632	76,118
Disposals	(242,643)	(252,541)
At 31 December 2018	2,374,380	3,179,056
Net book value		
At 31 December 2018	510,877	1,744,554
At 31 December 2017	486,031	1,709,313

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Freehold	985,250	985,250
Leasehold property improvements	44,560	47,553
	1,029,810	1,032,803

FRANK KEY TOOL HIRE LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

3. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Motor vehicles	118,455	111,902
Hire equipment	166,251	118,583
	<u>284,706</u>	<u>230,485</u>

4. Fixed asset investments

	Unlisted investments £
Cost	
At 1 January 2018	1,250
At 31 December 2018	<u>1,250</u>

5. Stocks

	2018 £	2017 £
Finished goods and goods for resale	<u>501,174</u>	<u>487,773</u>

FRANK KEY TOOL HIRE LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2018

6. Debtors

	2018 £	2017 £
Trade debtors	569,046	475,199
Amounts owed by group undertakings	157,817	672,128
Other debtors	823	248
Prepayments and accrued income	91,150	87,961
Deferred taxation	82,923	84,068
	<u>901,759</u>	<u>1,319,604</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans	24,297	25,851
Trade creditors	300,320	172,718
Amounts owed to group undertakings	1,776,670	2,291,289
Corporation tax	7,317	-
Other taxation and social security	148,936	137,979
Obligations under finance lease and hire purchase contracts	94,263	109,901
Other creditors	25,121	27,870
Accruals and deferred income	67,323	70,393
	<u>2,444,247</u>	<u>2,836,001</u>

8. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans	115,046	136,730
Net obligations under finance leases and hire purchase contracts	23,876	41,485
	<u>138,922</u>	<u>178,215</u>

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Notes to the Financial Statements For the Year Ended 31 December 2018

9. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Bank loans	24,297	25,851
Amounts falling due 1-2 years		
Bank loans	24,866	24,297
Amounts falling due 2-5 years		
Bank loans	90,180	112,433
	<u>139,343</u>	<u>162,581</u>

The bank loans provided by National Westminster Plc are secured by way of a fixed and floating charges and debenture over the freehold properties of the company.

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	61,511	109,861
Between 1-2 years	23,876	36,044
Between 2-5 years	-	2,778
Over 5 years	-	2,663
	<u>85,387</u>	<u>151,346</u>

Obligations under finance lease and hire purchase contracts are secured against the assets to which they relate.

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Notes to the Financial Statements For the Year Ended 31 December 2018

11. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
24,000 (2017 - 24,000) Ordinary shares of £1.00 each	<u>24,000</u>	<u>24,000</u>

12. Capital commitments

At 31 December 2018 the Company had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	<u>99,305</u>	<u>-</u>

13. Pension commitments

The company operates a defined contribution scheme. The pension charge for the year represents contributions payable by the company to the scheme and amounted to £92,376 (2017: £50,627). At the year end an amount of £10,122 (2017: £8,905) was outstanding.

14. Related party transactions

The company has taken advantage of the exemption in section 33.1A of FRS 102 from disclosing transactions entered into between two or more members of the group as all subsidiaries are wholly owned.

15. Controlling party

The ultimate parent undertaking is Frank Key Group Limited. The ultimate controlling party is RM Sansom.

Group financial statements are prepared by Frank Key Group Limited, a copy of which is available at 22A Portland Street, Daybrook, Nottingham, NG5 6BL.

16. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on 27/9/19 by James Bagley (Senior Statutory Auditor) on behalf of Smith Cooper Audit Limited.