

Company Registration No. 01121668 (England and Wales)

**TOYE KENNING & SPENCER LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 JUNE 2018**  
**PAGES FOR FILING WITH REGISTRAR**



# TOYE KENNING & SPENCER LIMITED

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# TOYE KENNING & SPENCER LIMITED

## BALANCE SHEET

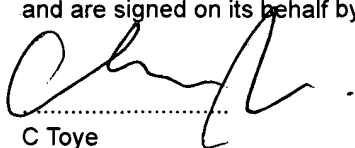
AS AT 30 JUNE 2018

	Notes	2018 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	3		249,261		271,056
Investments	4		66,486		66,486
			<u>315,747</u>		<u>337,542</u>
<b>Current assets</b>					
Stocks		1,016,623		1,162,589	
Debtors	5	867,447		849,911	
Cash at bank and in hand		87,051		1,040,538	
		<u>1,971,121</u>		<u>3,053,038</u>	
<b>Creditors: amounts falling due within one year</b>	6	(2,218,523)		(2,025,070)	
<b>Net current (liabilities)/assets</b>			<u>(247,402)</u>		<u>1,027,968</u>
<b>Total assets less current liabilities</b>			<u>68,345</u>		<u>1,365,510</u>
<b>Creditors: amounts falling due after more than one year</b>	7		-		(26,455)
<b>Net assets</b>			<u><u>68,345</u></u>		<u><u>1,339,055</u></u>
<b>Capital and reserves</b>					
Called up share capital	8	2,500,000		2,500,000	
Profit and loss reserves		(2,431,655)		(1,160,945)	
<b>Total equity</b>			<u><u>68,345</u></u>		<u><u>1,339,055</u></u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 28/03/19 and are signed on its behalf by:



C Toye  
Director

Company Registration No. 01121668

# TOYE KENNING & SPENCER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2018

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### 1 Accounting policies

#### Company information

Toye Kenning & Spencer Limited is a private company limited by shares incorporated in England and Wales. The registered office is Regalia House, Newtown Road, Bedworth, Warwickshire, CV12 8QR.

#### 1.1 Basis of preparation

The directors have prepared the accounts on the going concern basis. In preparing the accounts on this basis the directors have taken account of the following factors.

The company has net current liabilities of £247,402 (2016: £1,027,968 net current assets). The overall cash requirements of the company are managed centrally together with the overall group cash facilities.

The directors have prepared profit and loss and cash flow forecasts for the period to 31 March 2020 which indicate that the company is expected to trade within available facilities during the forecast period.

Charles Toye, a director of the company has confirmed that he will continue to support the company to enable it to fulfil its obligations and accordingly the financial statements have been prepared on the going concern basis

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

# TOYE KENNING & SPENCER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2018

### 1 Accounting policies

(Continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.4 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.

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:

Plant and machinery	15% straight line
Fixtures, fittings & equipment	20% straight line
Computer equipment	25% straight line
Motor vehicles	25% 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.

#### 1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

# TOYE KENNING & SPENCER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2018

### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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.

#### 1.8 Cash at bank and in hand

Cash at bank and in hand 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.

#### 1.9 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# TOYE KENNING & SPENCER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2018

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### 1 Accounting policies

(Continued)

#### **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.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.10 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.

#### **1.11 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

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

# TOYE KENNING & SPENCER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2018

### 1 Accounting policies

(Continued)

#### 1.14 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 the profit and loss account 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 income 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 lease asset are consumed.

#### 1.15 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 are included in the profit and loss account for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 125 (2016 - 124)

### 3 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2017	1,391,798	133,336	130,265	21,942	1,677,341
Additions	1,195	47,107	14,177	54,093	116,572
Disposals	-	-	-	(13,995)	(13,995)
At 30 June 2018	1,392,993	180,443	144,442	62,040	1,779,918
<b>Depreciation and impairment</b>					
At 1 January 2017	1,195,849	98,304	107,106	5,025	1,406,284
Depreciation charged in the Period	65,842	18,890	16,141	27,495	128,368
Eliminated in respect of disposals	-	-	-	(3,995)	(3,995)
At 30 June 2018	1,261,691	117,194	123,247	28,525	1,530,657
<b>Carrying amount</b>					
At 30 June 2018	131,302	63,249	21,195	33,515	249,261
At 31 December 2016	195,949	35,031	23,158	16,918	271,056



# TOYE KENNING & SPENCER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2018

### 4 Fixed asset investments

	2018 £	2016 £
Investments	66,486	66,486

### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 January 2017 & 30 June 2018	66,486
<b>Carrying amount</b>	
At 30 June 2018	66,486
At 31 December 2016	66,486

### 5 Debtors

	2018 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	792,925	766,710
Other debtors	74,522	83,201
	867,447	849,911

# TOYE KENNING & SPENCER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2018

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

	2018 £	2016 £
Bank loans and overdrafts	129,148	-
Trade creditors	920,596	604,295
Taxation and social security	213,491	131,353
Other creditors	955,288	1,289,422
	<u>2,218,523</u>	<u>2,025,070</u>

Securities held are as follows:

A 1st legal charge over Commercial freehold property known as 77 Warstone Lane, Birmingham, B18 4DH.

A 1st legal charge over Commercial freehold property known as Regalia House, Newtown Road, Bedworth, Warwickshire, CV12 8QR.

An unlimited debenture dated 21/01/2000 incorporating a fixed and floating charge.

A letter of set-off dated 16/05/2005.

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

	2018 £	2016 £
Other creditors	-	26,455
	<u>-</u>	<u>26,455</u>

### 8 Called up share capital

	2018 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
2,500,000 Ordinary shares of £1 each	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>

# TOYE KENNING & SPENCER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2018

### 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:

2018	2016
£	£
322,666	317,135

### 10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Miss Lisa Emery.  
The auditor was Baldwins Audit Services.

### 11 Related party transactions

#### Transactions with related parties

During the Period the company entered into the following transactions with related parties:

	2018	2016
	£	£
Bryan Toye Ltd	98,000	65,000
City Merchants Ltd	42,652	24,000
Other related parties	-	54,423

The following amounts were outstanding at the reporting end date:

	2018	2016
Amounts due to related parties	£	£
Toye Group Holdings Ltd	427,510	844,895
Other related parties	-	6,500

# TOYE KENNING & SPENCER LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2018

### 12 Subsidiaries

Details of the company's subsidiaries at 30 June 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
TOYE Kenning and Spencer (Bedworth) Limited		Dormant	Ordinary	100.00	
TOYE Kenning and Spencer (Birmingham) Limited		Dormant	Ordinary	100.00	
TOYE Kenning and Spencer (London) Limited		Dormant	Ordinary	99.99	

### 13 Parent company

The company's immediate parent company undertaking is Toye Group Holdings Limited, a company incorporated in England and Wales.

Toye Group Holdings Limited is the smallest and largest group for which consolidated financial statements, including Toye Kenning and Spencer Limited, are prepared and publicly available. The consolidated financial statements of Toye Group Holdings Limited are available from Companies House, Crown Way, Cardiff.

The company's ultimate parent undertaking is Bryan Toye Limited, a company incorporated in the Bailiwick of Guernsey. The ultimate controlling party is Mr B Toye.

### 14 Non-audit services provided by auditor

In common with many businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

In common with many other businesses of our size and nature we use our auditor to provide tax advice and to represent us, as necessary, at tax tribunals.