

A.B. Davis Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2017

Kajaine Limited
Kajaine House
57-67 High Street
Edgware
HA8 7DD

A.B. Davis Limited

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A.B. Davis Limited

Company Information

Directors	Mr S V Chaplin Mr M R Chaplin
Registered office	Kajaine House 57-67 High Street Edgware HA8 7DD
Accountants	Kajaine Limited Kajaine House 57-67 High Street Edgware HA8 7DD

A.B. Davis Limited

(Registration number: 01336744)

Balance Sheet as at 31 May 2017

		2017	(As restated) 2016
	Note	£	£
Fixed assets			
Tangible assets	<u>4</u>	4,891	6,522
Investments	<u>5</u>	-	476,345
		<u>4,891</u>	<u>482,867</u>
Current assets			
Stocks	<u>6</u>	460,123	543,246
Debtors	<u>7</u>	63,696	126,901
Cash at bank and in hand		<u>733,675</u>	<u>262,920</u>
		1,257,494	933,067
Creditors: Amounts falling due within one year	<u>8</u>	<u>(443,318)</u>	<u>(125,516)</u>
Net current assets		<u>814,176</u>	<u>807,551</u>
Net assets		<u>819,067</u>	<u>1,290,418</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>818,967</u>	<u>1,290,318</u>
Total equity		<u>819,067</u>	<u>1,290,418</u>

For the financial year ending 31 May 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.

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.

Approved and authorised by the Board on 8 January 2018 and signed on its behalf by:

.....

Mr M R Chaplin

Director

The notes on pages 3 to 9 form an integral part of these financial statements.

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Notes to the Financial Statements for the Year Ended 31 May 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:

Kajaine House
57-67 High Street
Edgware
HA8 7DD
United Kingdom

These financial statements were authorised for issue by the Board on 8 January 2018.

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.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by Section 398 of the Companies Act 2006 and has not prepared group accounts..

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	25% per annum on reducing balance

A.B. Davis Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash at bank and in hand

Cash at bank and in hand comprise cash on hand and call deposits held with banks.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

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 periods.

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.

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Notes to the Financial Statements for the Year Ended 31 May 2017

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 7 (2016 - 7).

4 Tangible assets

	Fixtures, fittings and equipment £	Total £
Cost or valuation		
At 1 June 2016	70,692	70,692
At 31 May 2017	70,692	70,692
Depreciation		
At 1 June 2016	64,170	64,170
Charge for the year	1,631	1,631
At 31 May 2017	65,801	65,801
Carrying amount		
At 31 May 2017	4,891	4,891
At 31 May 2016	6,522	6,522

5 Investments

	2017 £	2016 £
Investments in subsidiaries	-	476,345
Subsidiaries		£
Cost or valuation		
At 1 June 2016		476,345
Disposals		(476,345)
At 31 May 2017		-
Provision		
Carrying amount		
At 31 May 2017		-
At 31 May 2016		476,345

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Notes to the Financial Statements for the Year Ended 31 May 2017

During the year, the company transferred its investment in subsidiary, Rostev Limited, to a group company, ABD Holdco Ltd, as part of reconstruction of the group structure under section 110 of the Insolvency Act 1986.

The acquisition of Rostev Limited by the group company was funded by a loan from A. B. Davis Limited. A.B. Davis Limited thereafter forgave the loan to ABD Holdco Ltd.

The reconstruction still ensures that all ultimate shareholdings remain identical in proportion throughout the process. To that extent there is no financial effect.

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
Subsidiary undertakings				
Rostev Limited	England, UK	Ordinary shares	0%	100%

The principal activity of Rostev Limited is Holding of an investment property and other investments

6 Stocks

	2017 £	2016 £
Stocks	460,123	543,246

7 Debtors

	2017 £	2016 £
Trade debtors	48,821	42,516
Other debtors	10,966	63,976
Prepayments	3,909	20,409
Total current trade and other debtors	63,696	126,901

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Notes to the Financial Statements for the Year Ended 31 May 2017

8 Creditors

	Note	2017 £	2016 £
Due within one year			
Trade creditors		37,405	20,593
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>10</u>	-	3,144
Taxation and social security		13,050	25,580
Other creditors		388,998	73,098
Accrued expenses		2,175	2,102
Corporation tax payable		1,690	999
		<u>443,318</u>	<u>125,516</u>

9 Financial commitments, guarantees and contingencies

The company has enrolled to a defined contribution pension scheme for the employees. At the balance sheet date, unpaid contributions of £182 (2016: £nil) were due to the independently administered fund. They are included in other creditors.

10 Related party transactions

Summary of transactions with other related parties

Associated Company

During the year, the company sold goods of £19,165 (2016: £12,583) to an associated company with common directors. At the balance sheet date the amount due (to)/from it was £1,859 (2016: (£6,812)).

Directors

Other creditors includes amounts owed to the directors. At the balance sheet date the amount due to the directors was £388,045 (2016: £65,050).

11 Transition to FRS 102

This is the first year the company is preparing accounts under FRS 102 Section 1A. Apart from the reclassification of "Other reserves" to "Profit and Loss Account", the policies applied under the entities previous accounting framework are not materially different to FRS 102 and have not impacted on the equity or profit or loss.

A.B. Davis Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

Balance Sheet at 1 June 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	8,696	-	-	8,696
Investments	476,346	-	-	476,346
	<u>485,042</u>	<u>-</u>	<u>-</u>	<u>485,042</u>
Current assets				
Stocks	720,189	-	-	720,189
Debtors	67,585	-	-	67,585
Cash at bank and in hand	533,453	-	-	533,453
	<u>1,321,227</u>	<u>-</u>	<u>-</u>	<u>1,321,227</u>
Creditors: Amounts falling due within one year	<u>(517,786)</u>	<u>-</u>	<u>-</u>	<u>(517,786)</u>
Net current assets	<u>803,441</u>	<u>-</u>	<u>-</u>	<u>803,441</u>
Net assets	<u>1,288,483</u>	<u>-</u>	<u>-</u>	<u>1,288,483</u>
Capital and reserves				
Called up share capital	(100)	-	-	(100)
Other reserves	(245,159)	245,159	-	-
Profit and loss account	<u>(1,043,224)</u>	<u>(245,159)</u>	<u>-</u>	<u>(1,288,383)</u>
Total equity	<u>(1,288,483)</u>	<u>-</u>	<u>-</u>	<u>(1,288,483)</u>

A.B. Davis Limited

Notes to the Financial Statements for the Year Ended 31 May 2017

Balance Sheet at 31 May 2016

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Tangible assets	6,522	-	-	6,522
Investments	476,345	-	-	476,345
	<u>482,867</u>	<u>-</u>	<u>-</u>	<u>482,867</u>
Current assets				
Stocks	543,246	-	-	543,246
Debtors	126,901	-	-	126,901
Cash at bank and in hand	262,920	-	-	262,920
	<u>933,067</u>	<u>-</u>	<u>-</u>	<u>933,067</u>
Creditors: Amounts falling due within one year	<u>(125,516)</u>	<u>-</u>	<u>-</u>	<u>(125,516)</u>
Net current assets	<u>807,551</u>	<u>-</u>	<u>-</u>	<u>807,551</u>
Net assets	<u>1,290,418</u>	<u>-</u>	<u>-</u>	<u>1,290,418</u>
Capital and reserves				
Called up share capital	(100)	-	-	(100)
Other reserves	(245,159)	245,159	-	-
Profit and loss account	<u>(1,045,159)</u>	<u>(245,159)</u>	<u>-</u>	<u>(1,290,318)</u>
Total equity	<u>(1,290,418)</u>	<u>-</u>	<u>-</u>	<u>(1,290,418)</u>

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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.