

**THORMAN HUNT & CO LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

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Thorman Hunt & Co Limited
Financial Statements
For The Year Ended 30 June 2019

Contents

	Page
Statement of Financial Position	1–2
Notes to the Financial Statements	3–8

Thorman Hunt & Co Limited
Statement of Financial Position
As at 30 June 2019

Registered number: 01381889

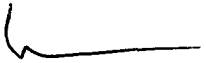
		2019	2018
	Notes	£	£
FIXED ASSETS			
Tangible Assets	3	20,382	31,630
Investments	4	35,153	35,153
		<u>55,535</u>	<u>66,783</u>
CURRENT ASSETS			
Stocks	5	2,243,539	1,794,065
Debtors	6	1,751,008	1,699,158
Cash at bank and in hand		522,281	158,114
		<u>4,516,828</u>	<u>3,651,337</u>
Creditors: Amounts Falling Due Within One Year	7	<u>(2,946,298)</u>	<u>(2,133,202)</u>
NET CURRENT ASSETS (LIABILITIES)		<u>1,570,530</u>	<u>1,518,135</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,626,065</u>	<u>1,584,918</u>
NET ASSETS		<u>1,626,065</u>	<u>1,584,918</u>
CAPITAL AND RESERVES			
Called up share capital	8	51,596	51,596
Share premium account		4,788	4,788
Capital redemption reserve		1,596	1,596
Income Statement		1,568,085	1,526,938
SHAREHOLDERS' FUNDS		<u>1,626,065</u>	<u>1,584,918</u>

Thorman Hunt & Co Limited
Statement of Financial Position (continued)
As at 30 June 2019

Directors' responsibilities:

- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Income Statement.

On behalf of the board



Mr John Willan FCA

Date 24/03/2020

The notes on pages 3 to 8 form part of these financial statements.

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

1.2. Going Concern Disclosure

The directors have examined the effect of the Covid-19 outbreak. The directors consider that the outbreak is likely to cause a significant disruption to the company's operations but are confident that with the measures recently announced by the government to help businesses affected by the Covid-19 outbreak, the company can continue as a going concern for a period of at least twelve months from the date of approval of these financial statements.

The company is reliant on these measures for its own financial position and also for the wider hospitality sector which the company supplies to. Shortly prior to the date of approval of these financial statements, the bank has agreed to renew the existing overdraft facility for a period of 12 months from 1 May 2020 and discussions are ongoing to make available an additional significant sum which may be by way of loan under the government backed scheme that was recently announced. The company is also looking to make use of other measures as they are made available.

Accordingly, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes for goods provided in the normal course of business. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land	No depreciation is provided
Fixtures & Fittings	15% reducing balance
Computer Equipment	3yr straight line

At each reporting period end date, the company reviews the carrying amount 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.

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.

1.5. Leasing and Hire Purchase Contracts

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to income statement as incurred.

1.6. Stocks and Work in Progress

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the financial statements on a contract by contract basis by recording turnover and related costs as contract activity progresses.

1.7. 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 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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 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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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

Derivatives financial instruments are held at fair value through the profit and loss

1.8. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.9. Taxation

Tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of income and retained earnings because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Deferred tax

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are not discounted.

1.10. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the income statement as they become payable in accordance with the rules of the scheme.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 15 (2018 : 14)

Thorman Hunt & Co Limited
Notes to the Financial Statements (continued)
For The Year Ended 30 June 2019

3. Tangible Assets

	Land & Property			
	Land	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£
Cost				
As at 1 July 2018	2,932	47,494	47,067	97,493
Additions	-	984	2,026	3,010
As at 30 June 2019	<u>2,932</u>	<u>48,478</u>	<u>49,093</u>	<u>100,503</u>
Depreciation				
As at 1 July 2018	-	43,672	22,191	65,863
Provided during the period	-	573	13,685	14,258
As at 30 June 2019	<u>-</u>	<u>44,245</u>	<u>35,876</u>	<u>80,121</u>
Net Book Value				
As at 30 June 2019	<u>2,932</u>	<u>4,233</u>	<u>13,217</u>	<u>20,382</u>
As at 1 July 2018	<u>2,932</u>	<u>3,822</u>	<u>24,876</u>	<u>31,630</u>

4. Investments

	Unlisted £
Cost	
As at 1 July 2018	35,153
As at 30 June 2019	<u>35,153</u>
Provision	
As at 1 July 2018	-
As at 30 June 2019	<u>-</u>
Net Book Value	
As at 30 June 2019	<u>35,153</u>
As at 1 July 2018	<u>35,153</u>

5. Stocks

	2019 £	2018 £
Stock - finished goods	2,243,539	1,794,065
	<u>2,243,539</u>	<u>1,794,065</u>

Thorman Hunt & Co Limited
Notes to the Financial Statements (continued)
For The Year Ended 30 June 2019

6. Debtors

	2019	2018
	£	£
Due within one year		
Trade debtors	1,726,736	1,664,777
Prepayments and accrued income	17,778	15,171
Derivative financial instruments	2,960	4,578
Deferred tax current asset	3,534	14,632
	1,751,008	1,699,158

7. Creditors: Amounts Falling Due Within One Year

	2019	2018
	£	£
Trade creditors	1,419,824	1,470,748
Bank loans and overdrafts	1,002,757	136,442
Corporation tax	78,322	73
Other taxes and social security	308,359	421,163
Other creditors	-	7,293
Accruals and deferred income	124,896	88,640
Directors' loan accounts	-	1,617
Dividends	12,140	7,226
	2,946,298	2,133,202

8. Share Capital

		2019	2018
		£	£
Allotted, Called up and fully paid		51,596	51,596
	Value	2019	2018
	£	£	£
Allotted, called up and fully paid			
Ordinary Shares	1	51,596	51,596

9. Contingent Liabilities

	2019	2018
	£	£
The company had contingent liabilities in respect of a guarantee to HMRC	150,000	150,000

Thorman Hunt & Co Limited
Notes to the Financial Statements (continued)
For The Year Ended 30 June 2019

10. Other Commitments

At 30 June 2019, the company had annual commitments under non-cancellable operating leases of £142,617 made up as follows:

	Land and buildings		Other	
	2019	2018	2019	2018
	£	£	£	£
Within 1 year	29,000	-	1,900	-
Between 1 and 5 years	106,333	-	5,383	20,491
	<u>135,333</u>	<u>-</u>	<u>7,283</u>	<u>20,491</u>

11. Related Party Transactions

At the year end amounts owed to certain directors totalled £12,140 (2018: £1,617). This was subsequently discharged in full.

During the year consultancy fees of £19,374 (2018: (19,470)) were paid to a director for the provision of consultancy services.

Dividends of £78,131 (2018: £49,532) were declared to certain directors during the year to 30 June 2019.

12. Post Balance Sheet Events

The directors have considered the effect of the Covid-19 outbreak, currently spreading globally in early 2020, on the company's activities post the balance sheet date and are developing contingency measures to minimise any impact it might have on the business.

This is likely to cause disruption to the company's operation but at the date of approval of these financial statements, the extent and quantum of this remains uncertain.

13. 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 on the statutory financial statements is provided in accordance with s444 (58) of the Companies Act 2006.

The auditors report was unqualified.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the company is likely to be significantly affected by the recent Covid-19. These conditions, together with the other matters set out in note 1.2, indicate that a material uncertainty exists that may cast significant doubt about the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The senior statutory auditor was David Selwyn. The auditor was HW Fisher.

14. General Information

Thorman Hunt & Co Limited is a private company, limited by shares, incorporated in England & Wales, registered number 01381889. The registered office is 4 Pratt Walk, London, SE11 6AR.