

Unaudited Financial Statements
for the Year Ended 31 December 2021
for
Klyne & Klyne Limited

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for the Year Ended 31 December 2021**

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Klyne & Klyne Limited
Company Information
for the Year Ended 31 December 2021

DIRECTORS: Mr Z Klyne
Mrs R Klyne

SECRETARY: Mrs R Klyne

REGISTERED OFFICE: Reedham House
31 King Street West
Manchester
Greater Manchester
M3 2PJ

BUSINESS ADDRESS: Cornbrook, 2 Brindley Road
Old Trafford
Manchester
M16 9HQ

REGISTERED NUMBER: 02349548 (England and Wales)

ACCOUNTANTS: Freedman Frankl & Taylor
Chartered Accountants
Reedham House
31 King Street West
Manchester
M3 2PJ

Balance Sheet
31 December 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	4		290,400		231,001
CURRENT ASSETS					
Stocks	5	424,153		485,586	
Debtors	6	1,639,083		1,569,197	
Cash at bank and in hand		<u>51,689</u>		<u>15,783</u>	
		2,114,925		2,070,566	
CREDITORS					
Amounts falling due within one year	7	<u>2,270,053</u>		<u>2,190,023</u>	
NET CURRENT LIABILITIES			<u>(155,128)</u>		<u>(119,457)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			135,272		111,544
CREDITORS					
Amounts falling due after more than one year	8		<u>12,612</u>		<u>-</u>
NET ASSETS			<u>122,660</u>		<u>111,544</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>122,560</u>		<u>111,444</u>
SHAREHOLDERS' FUNDS			<u>122,660</u>		<u>111,544</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**Balance Sheet - continued
31 December 2021**

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 23 September 2022 and were signed on its behalf by:

Mr M M D Klyne - Director

**Notes to the Financial Statements
for the Year Ended 31 December 2021**

1. STATUTORY INFORMATION

Klyne & Klyne Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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 the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Tangible fixed assets

Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Grant income

Grants of a revenue nature are credited to income in the period to which they relate.

Interest

Bank and other interest is recognised in the period in which it was received.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

Tangible fixed assets are initially recorded at cost less accumulated depreciation and accumulated impairment losses.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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.

Foreign currencies

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of future payments is treated as a liability.

Operating leases are charged to the profit and loss account as they are incurred.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Going concern

The company is reliant on the financial support of its parent undertaking Klyne & Klyne (Holdings) Limited and its fellow subsidiary who have indicated their support of the company for the foreseeable future.

On this basis, the directors' have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and thus has adopted the going concern basis of accounting in preparing the annual financial statements.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 22 (2020 - 20) .

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2021	290,078	153,036	210,829	653,943
Additions	66,257	49,750	10,893	126,900
Disposals	-	(31,096)	-	(31,096)
At 31 December 2021	<u>356,335</u>	<u>171,690</u>	<u>221,722</u>	<u>749,747</u>
DEPRECIATION				
At 1 January 2021	165,868	78,236	178,838	422,942
Charge for year	23,749	24,316	13,766	61,831
Eliminated on disposal	-	(25,426)	-	(25,426)
At 31 December 2021	<u>189,617</u>	<u>77,126</u>	<u>192,604</u>	<u>459,347</u>
NET BOOK VALUE				
At 31 December 2021	<u>166,718</u>	<u>94,564</u>	<u>29,118</u>	<u>290,400</u>
At 31 December 2020	<u>124,210</u>	<u>74,800</u>	<u>31,991</u>	<u>231,001</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

4. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 January 2021	52,747
Additions	29,630
Transfer to ownership	(52,747)
At 31 December 2021	<u>29,630</u>
DEPRECIATION	
At 1 January 2021	34,915
Charge for year	9,396
Transfer to ownership	(39,373)
At 31 December 2021	<u>4,938</u>
NET BOOK VALUE	
At 31 December 2021	<u>24,692</u>
At 31 December 2020	<u>17,832</u>

5. **STOCKS**

	2021 £	2020 £
Goods for resale	<u>424,153</u>	<u>485,586</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Trade debtors	32,441	33,617
Other debtors	<u>1,606,642</u>	<u>1,535,580</u>
	<u>1,639,083</u>	<u>1,569,197</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Hire purchase contracts (see note 9)	8,902	-
Trade creditors	158,190	225,496
Amounts owed to group undertakings	853,152	946,124
Taxation and social security	43,562	116,422
Other creditors	<u>1,206,247</u>	<u>901,981</u>
	<u>2,270,053</u>	<u>2,190,023</u>

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2021 £	2020 £
Hire purchase contracts (see note 9)	<u>12,612</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	8,902	-
Between one and five years	<u>12,612</u>	<u>-</u>
	<u>21,514</u>	<u>-</u>
	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	7,928	7,928
Between one and five years	<u>21,801</u>	<u>21,801</u>
	<u>29,729</u>	<u>29,729</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Hire purchase contracts	21,514	-
Other creditors	<u>880,000</u>	<u>500,000</u>
	<u>901,514</u>	<u>500,000</u>

11. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Section 1A "Small Entities" of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

11. RELATED PARTY DISCLOSURES - continued

During the year the company received management charges and recharged expenses amounting to £1,492,851 (2020: £1,224,119) from companies in which the directors of this company are also the directors and shareholders. As at 31 December 2021, there was £708,419 (2020: £377,856) due from these entities.

During the year the company was charged rent amounting to £178,000 (2020: £176,250) and paid interest amounting to £10,290 (2020: £4,541) to a pension scheme in which the directors are both trustees and beneficiaries. As at 31 December 2021, the balance due to the pension scheme was £1,147,000 (2020: £666,202). At 31 December 2021, £880,000 (2020: £500,000) of this balance was secured on assets owned by the directors and shareholders of the company.

At 31 December 2021, there was a balance of £513,663 (2020: £513,663) due from a charity in which the directors are trustees.

At 31 December 2021, the balance due from a company in which the directors are also shareholders was £100,000 (2020: £100,000).

During the year rent amounting to £17,800 (2020: £17,500) was charged to the company by the directors. As at 31 December 2021, the balance due to the directors was £nil (2020: £31,586). There are no fixed repayment terms and no interest has been charged to the company in respect of this balance.

The finance facilities of the company are secured by a personal guarantee by the directors.

12. ULTIMATE PARENT UNDERTAKING

The company's parent undertaking at the balance sheet date was Klyne & Klyne (Holdings) Limited, a company incorporated and registered in England and Wales. Copies of the financial statements of Klyne & Klyne (Holdings) Limited can be obtained from the registered office of that company which is the same as this company and the address can be found on the Company Information page.

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