

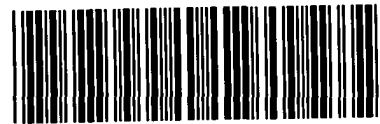
Registered number: 02397136

**A.B.E. (LEDBURY) LIMITED**

**ANNUAL REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

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COMPANIES HOUSE

**A.B.E. (LEDBURY) LIMITED**  
**REGISTERED NUMBER: 02397136**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	31 December 2022 £	30 June 2021 £
<b>Fixed assets</b>			
Intangible assets	4	1,556	5,776
Tangible assets	5	3,511,335	1,332,591
Investments	6	3,700	3,700
		<u>3,516,591</u>	<u>1,342,067</u>
<b>Current assets</b>			
Stocks	7	28,429	31,547
Debtors	8	1,763,372	1,187,001
Cash at bank and in hand		521,155	1,014,204
		<u>2,312,956</u>	<u>2,232,752</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(1,240,728)</u>	<u>(1,143,206)</u>
<b>Net current assets</b>		<u>1,072,228</u>	<u>1,089,546</u>
<b>Total assets less current liabilities</b>		<u>4,588,819</u>	<u>2,431,613</u>
<b>Creditors: amounts falling due after more than one year</b>	10	(1,573,717)	(192,336)
<b>Provisions for liabilities</b>			
Deferred tax	12	(173,971)	(83,580)
Other provisions		-	(12,000)
<b>Net assets</b>		<u><u>2,841,131</u></u>	<u><u>2,143,697</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	60	60
Profit and loss account	14	2,841,071	2,143,637
		<u><u>2,841,131</u></u>	<u><u>2,143,697</u></u>

The company's 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 profit and loss account 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 by:

**G Leitch**  
 Director

DocuSigned by:  
  
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Date: 25 May 2023

The notes on pages 2 to 12 form part of these financial statements.

## **A.B.E. (LEDBURY) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

A.B.E. (Ledbury) Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the company information page.

The financial statements are prepared in Sterling (£) which is the functional currency of the company. The financial statements are for the 18 month period ended 31 December 2022 (2021: year ended 30 June 2021).

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, including section 1A of FRS 102, and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company accounting policies (see note 2).

The following principal accounting policies have been applied:

##### **1.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Palletline Limited as at 31 December 2022 and these financial statements may be obtained from its registered office.

##### **1.3 Going concern**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The parent company has confirmed that, if required, it will provide financial support as necessary to enable the company to meet its liabilities as they fall due, and will not seek repayment of balances until the company has sufficient financial resources to enable any payment to be made without detriment to the company's trading position.

On this basis, the directors are confident that the company has adequate resources to continue in operation and, accordingly, have adopted the going concern basis in preparing the financial statements.

## **A.B.E. (LEDBURY) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2022**

#### **1. Accounting policies (continued)**

##### **1.4 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover from a contract to provide services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

The above conditions are satisfied when the service is complete, which is generally upon completion of delivery.

##### **1.5 Leasing and hire purchase**

Assets that are held by the company under leases which transfer substantially all the risk and rewards of ownership are classified as being held under hire purchase or finance lease. Leases which do not transfer substantially all the risk and rewards of ownership are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such arrangements are included in creditors net of the finance charge allocated to future periods.

The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **1.6 Government grants**

Government grants are recognised under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

##### **1.7 Finance costs**

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **1.8 Pensions**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**A.B.E. (LEDBURY) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2022**

**1. Accounting policies (continued)**

**1.9 Current and deferred taxation**

The tax charge for the period comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised 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 calculated using the tax rates and laws that have been enacted to substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**1.10 Intangible assets**

**Other intangible assets**

Intangible assets purchased other than in a business combination are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Computer software	-	3 - 5 years
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Amortisation is revised prospectively for any significant change in useful life or residual value.

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in the profit and loss account.

**1.11 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**A.B.E. (LEDBURY) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2022****1. Accounting policies (continued)****1.11 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Improvements to property	-	10% straight line
Freehold property	-	4% straight line
Plant and machinery	-	33% straight line
Motor vehicles	-	20% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

**1.12 Investments**

Investments in unlisted company shares, which have been classified as fixed asset investments as the company intends to hold them on a continuing basis, are measured at cost less accumulated impairment.

**1.13 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

**1.14 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

**1.15 Provisions for liabilities**

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

**A.B.E. (LEDBURY) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2022****1. Accounting policies (continued)****1.16 Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost, less any impairment.

Financial assets that are measured at amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account. Any impairment loss is based on the difference between the asset's carrying value and the best estimate of its recoverable value at the balance sheet date.

**1.17 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**2. Other operating income**

Other operating income of £Nil (year ended 30 June 2021: £39,105) relates to government grants receivable in respect of employees placed on "furlough" during the period, as part of the UK Government's Coronavirus Job Retention Scheme.

**3. Employees**

The average monthly number of employees, including the directors, during the period was as follows:

	Period ended 31 December 2022 No.	Year ended 30 June 2021 No.
Direct operatives and warehouse staff	62	58
Administration and management	14	14
	<u>76</u>	<u>72</u>

**A.B.E. (LEDBURY) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2022****4. Intangible assets**

	<b>Computer software £</b>
<b>Cost</b>	
At 1 July 2021	8,995
At 31 December 2022	<u>8,995</u>
<b>Amortisation</b>	
At 1 July 2021	3,219
Charge for the period	4,220
At 31 December 2022	<u>7,439</u>
<b>Net book value</b>	
At 31 December 2022	<u>1,556</u>
At 30 June 2021	<u>5,776</u>



## A.B.E. (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2022

## 5. Tangible fixed assets

	Improvements to property £	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>						
At 1 July 2021	113,167	-	135,036	3,608,522	37,617	3,894,342
Additions	11,700	2,146,404	50,181	559,467	-	2,767,752
Disposals	-	-	(13,500)	(130,413)	-	(143,913)
At 31 December 2022	124,867	2,146,404	171,717	4,037,576	37,617	6,518,181
<b>Depreciation</b>						
At 1 July 2021	69,185	-	102,686	2,369,639	20,241	2,561,751
Charge for the period	19,084	62,344	22,971	469,022	11,965	585,386
Disposals	-	-	(13,500)	(126,791)	-	(140,291)
At 31 December 2022	88,269	62,344	112,157	2,711,870	32,206	3,006,846
<b>Net book value</b>						
At 31 December 2022	36,598	2,084,060	59,560	1,325,706	5,411	3,511,335
At 30 June 2021	43,982	-	32,350	1,238,883	17,376	1,332,591

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

	31 December 2022 £	30 June 2021 £
Motor vehicles	235,153	239,417

## 6. Fixed asset investments

	Unlisted investments £
<b>Cost</b>	
At 1 July 2021 and 31 December 2022	3,700

**A.B.E. (LEDBURY) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2022****7. Stocks**

	<b>31 December 2022 £</b>	<b>30 June 2021 £</b>
Finished goods and goods for resale	28,429	31,547

**8. Debtors**

	<b>31 December 2022 £</b>	<b>30 June 2021 £</b>
Trade debtors	1,144,929	1,030,067
Amounts owed by group undertakings	601,380	60,089
Prepayments and accrued income	17,063	96,845
	<u>1,763,372</u>	<u>1,187,001</u>

Amounts owed by group undertakings are repayable on demand.

During the 18 month period, an impairment gain of £537 (year ended 30 June 2021: loss of £526) was recognised in administrative expenses against trade debtors.

**9. Creditors: Amounts falling due within one year**

	<b>31 December 2022 £</b>	<b>30 June 2021 £</b>
Bank loans	158,216	-
Trade creditors	667,128	477,884
Amounts owed to group undertakings	34,245	35,818
Corporation tax	24	89,164
Other taxation and social security	221,848	331,958
Obligations under finance lease and hire purchase contracts	74,865	71,532
Other creditors	14,427	11,546
Accruals and deferred income	69,975	125,304
	<u>1,240,728</u>	<u>1,143,206</u>

Amounts owed to group undertakings are repayable on demand.

**A.B.E. (LEDBURY) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2022****10. Creditors: Amounts falling due after more than one year**

	<b>31 December 2022 £</b>	<b>30 June 2021 £</b>
Bank loans	1,483,715	-
Net obligations under finance leases and hire purchase contracts	90,002	192,336
	<u>1,573,717</u>	<u>192,336</u>

**11. Loans**

Analysis of the maturity of loans is given below:

	<b>31 December 2022 £</b>	<b>30 June 2021 £</b>
<b>Amounts falling due within one year</b>		
Bank loans	158,216	-
<b>Amounts falling due 1-2 years</b>		
Bank loans	158,216	-
<b>Amounts falling due 2-5 years</b>		
Bank loans	1,325,499	-
	<u>1,641,931</u>	<u>-</u>

The bank loan balance outstanding at 31 December 2022 is £1,641,931 (30 June 2021: £Nil), net of issues costs.

The loan is repayable in quarterly instalments of £39,554 until October 2026 where the residual balance is due in a final payment.

Interest on the bank loan is charged to the profit and loss account at 3.15% as it arises.

The bank loan is secured by a first legal mortgage over the freehold property and by a fixed and floating charge over all current and future assets of the Palletline Limited group.

**A.B.E. (LEDBURY) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2022****12. Deferred taxation**

	<b>31 December 2022 £</b>	<b>30 June 2021 £</b>
At the beginning of the period/year	83,580	57,148
Charged to the profit and loss account	90,391	26,432
<b>At the end of the period/year</b>	<b>173,971</b>	<b>83,580</b>

The provision for deferred taxation is made up as follows:

	<b>31 December 2022 £</b>	<b>30 June 2021 £</b>
Accelerated capital allowances	176,038	86,467
Short term timing differences	(2,067)	(2,887)
	<b>173,971</b>	<b>83,580</b>

**13. Share capital**

	<b>31 December 2022 £</b>	<b>30 June 2021 £</b>
<b>Allotted, called up and fully paid</b>		
60 Ordinary shares of £1.00 each	60	60

**14. Reserves****Profit and loss account**

The profit and loss account includes all current and prior year retained profits and losses.

**15. Contingent liabilities**

The company has a cross guarantee with its parent company for group bank borrowings. At the end of the period the liabilities covered by these guarantees totalled £5,548,095 (year ended 30 June 2021: £3,383,417).

**A.B.E. (LEDBURY) LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2022****16. Pension commitments**

The company operates a defined benefit contribution scheme for its employees. The assets of the scheme are administered in a fund independent from those of the company. The total contributions paid in the 18 month period amounted to £137,002 (year ended 30 June 2021: £91,134). There is a pension creditor at the end of the period of £14,364 (year ended 30 June 2021: £11,545).

**17. Commitments under operating leases**

At 31 December 2022 the company had future minimum lease payments due under non-cancellable operating leases as follows:

	31 December 2022 £	30 June 2021 £
Not later than 1 year	757	161,527
Later than 1 year and not later than 5 years	-	636,018
Later than 5 years	-	237,750
	<u>757</u>	<u>1,035,295</u>

**18. Related party transactions**

The company is a wholly owned subsidiary of Palletline Limited and has taken advantage of the exemption conferred by section 33.1A of FRS 102 not to disclose transactions with Palletline Limited or other wholly owned subsidiaries within the group.

Key management personnel represents the directors of the company as they have the responsibility for planning, directing and controlling the activities of the entity directly or indirectly. During the period, the key management personnel remuneration was £200,240 (year ended 30 June 2021: £127,660).

**19. Controlling party**

The company is a wholly owned subsidiary of Palletline Logistics Limited, which is the parent company incorporated in the United Kingdom.

The largest and smallest group in which the results of the company are consolidated is that headed by Palletline Limited, incorporated in the United Kingdom. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ. No other group accounts include the results of the company.

**20. Auditor's information**

As the profit and loss account 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 auditor was Cooper Parry Group Limited.

Paul Rowley BA ACA signed the auditor's report as senior statutory auditor.