

Company Registration No. 02423649 (England and Wales)

**Abbey Industrial Solutions Limited**

**Unaudited Financial Statements**

**For The Year Ended 31 May 2017**

# ABBAY INDUSTRIAL SOLUTIONS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr M G Stead Mr C J Stead Mrs M Stead Mr J Stead
<b>Secretary</b>	Mrs M Stead
<b>Company number</b>	02423649
<b>Registered office</b>	Unit 7 Tuscany Court Wakefield Europort Normanton WF6 2TZ
<b>Accountants</b>	Garbutt & Elliott LLP Arabesque House Monks Cross Drive York YO32 9GW

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# **ABBEY INDUSTRIAL SOLUTIONS LIMITED**

## **BALANCE SHEET** **AS AT 31 MAY 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Intangible assets	3	286,997		-	
Tangible assets	4	279,272		192,437	
Investments	5	25,000		-	
			591,269		192,437
<b>Current assets</b>					
Stocks		487,706		289,131	
Debtors	7	1,673,910		955,496	
Cash at bank and in hand		18,135		533,167	
			2,179,751		1,777,794
<b>Creditors: amounts falling due within one year</b>	8	(1,323,068)		(752,357)	
<b>Net current assets</b>			856,683		1,025,437
<b>Total assets less current liabilities</b>			1,447,952		1,217,874
<b>Creditors: amounts falling due after more than one year</b>	9	(205,373)		(28,928)	
<b>Provisions for liabilities</b>			(27,000)		(31,000)
<b>Net assets</b>			1,215,579		1,157,946
<b>Capital and reserves</b>					
Called up share capital		50,000		50,000	
Profit and loss reserves		1,165,579		1,107,946	
<b>Total equity</b>			1,215,579		1,157,946

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

For the financial year ended 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

## **ABBAY INDUSTRIAL SOLUTIONS LIMITED**

### **BALANCE SHEET (CONTINUED)** **AS AT 31 MAY 2017**

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The financial statements were approved by the board of directors and authorised for issue on 28 February 2018 and are signed on its behalf by:

Mr J Stead  
**Director**

**Company Registration No. 02423649**

# ABBEY INDUSTRIAL SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2017

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### 1 Accounting policies

#### Company information

Abbey Industrial Solutions Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 7, Tuscany Court, Wakefield Europort, Normanton, WF6 2TZ.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with "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.

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 £1.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies are set out below.

These financial statements for the year ended 31 May 2017 are the first financial statements of Abbey Industrial Solutions Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Going concern

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 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.

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.

#### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

# ABBEY INDUSTRIAL SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2017

### 1 Accounting policies

(Continued)

#### 1.5 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:

Land and buildings leasehold	Over the term of the lease
Plant and machinery	15% straight line
Fixtures, fittings and computer equipment	25% straight line
Motor vehicles	25% reducing balance

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.

#### 1.6 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.

#### 1.7 Impairment of fixed assets

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

# ABBEY INDUSTRIAL SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2017

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### 1 Accounting policies

(Continued)

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.

#### 1.8 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.

#### 1.9 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.

#### 1.10 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.



# ABBEY INDUSTRIAL SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2017

### 1 Accounting policies

(Continued)

#### **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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **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 and loans from fellow group 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.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.12 Taxation

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

# ABBEY INDUSTRIAL SOLUTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2017

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### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.13 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.

#### **1.14 Retirement benefits**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### **1.15 Leases**

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.

#### **1.16 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 44 (2016 - 32).

# **ABBAY INDUSTRIAL SOLUTIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2017**

### **3 Intangible fixed assets**

	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 1 June 2016	-
Additions	307,497
	<u>          </u>
At 31 May 2017	307,497
	<u>          </u>
<b>Amortisation and impairment</b>	
At 1 June 2016	-
Amortisation charged for the year	20,500
	<u>          </u>
At 31 May 2017	20,500
	<u>          </u>
<b>Carrying amount</b>	
At 31 May 2017	286,997
	<u>          </u>
At 31 May 2016	-
	<u>          </u>

### **4 Tangible fixed assets**

	<b>Land and buildings</b>	<b>Plant and machinery etc</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 June 2016	92,760	445,161	537,921
Additions	-	167,483	167,483
Disposals	-	(12,569)	(12,569)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 May 2017	92,760	600,075	692,835
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>			
At 1 June 2016	61,740	283,744	345,484
Depreciation charged in the year	6,112	69,177	75,289
Eliminated in respect of disposals	-	(7,210)	(7,210)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 May 2017	67,852	345,711	413,563
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>			
At 31 May 2017	24,908	254,364	279,272
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 May 2016	31,020	161,417	192,437
	<u>          </u>	<u>          </u>	<u>          </u>

# **ABBAY INDUSTRIAL SOLUTIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2017**

### **4 Tangible fixed assets (Continued)**

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2017 £	2016 £
Motor vehicles	202,476	121,694
	<u>202,476</u>	<u>121,694</u>
Depreciation charge for the year in respect of leased assets	52,977	34,120
	<u>52,977</u>	<u>34,120</u>

### **5 Fixed asset investments**

	2017 £	2016 £
Investments	25,000	-
	<u>25,000</u>	<u>-</u>

#### **Movements in fixed asset investments**

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 June 2016	-
Additions	25,000
	<u>25,000</u>
At 31 May 2017	25,000
<b>Carrying amount</b>	
At 31 May 2017	25,000
	<u>25,000</u>
At 31 May 2016	-
	<u>-</u>

### **6 Subsidiaries**

Details of the company's subsidiaries at 31 May 2017 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held Direct Indirect
ATN Limited	England and Wales	Supply and repair of pneumatic tools	Ordinary	100.00

#### **Registered Office address:**

Unit 7 Tuscany Court, Wakefield Europort, Normanton, WF6 2TZ

# **ABBEEY INDUSTRIAL SOLUTIONS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2017**

### **7 Debtors**

	2017	2016
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1,130,164	919,052
Other debtors	543,746	36,444
	<u>1,673,910</u>	<u>955,496</u>

### **8 Creditors: amounts falling due within one year**

	2017	2016
	£	£
Bank loans and overdrafts	44,503	-
Trade creditors	955,706	467,612
Other taxation and social security	212,839	199,355
Other creditors	110,020	85,390
	<u>1,323,068</u>	<u>752,357</u>

Bank loans and overdrafts are secured.

### **9 Creditors: amounts falling due after more than one year**

	2017	2016
	£	£
Bank loans and overdrafts	131,202	-
Other creditors	74,171	28,928
	<u>205,373</u>	<u>28,928</u>

Bank loans and overdrafts are secured.

### **10 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:

	2017	2016
	£	£
	<u>45,690</u>	<u>100,518</u>

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.