

Company Registration No. 03131986 (England and Wales)

A & A BUSINESS SUPPLIES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021
PAGES FOR FILING WITH REGISTRAR

A & A BUSINESS SUPPLIES LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 9

A & A BUSINESS SUPPLIES LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	4	-		24,016	
Tangible assets	5	60,165		56,366	
			60,165		80,382
Current assets					
Stocks		44,113		28,829	
Debtors	6	493,354		597,656	
Cash at bank and in hand		273,457		-	
		810,924		626,485	
Creditors: amounts falling due within one year	7	(483,001)		(570,038)	
Net current assets			327,923		56,447
Total assets less current liabilities			388,088		136,829
Creditors: amounts falling due after more than one year	8	(250,000)		-	
Provisions for liabilities			(9,514)		(9,758)
Net assets			128,574		127,071
Capital and reserves					
Called up share capital			7,537		7,537
Capital redemption reserve			728		728
Profit and loss reserves			120,309		118,806
Total equity			128,574		127,071

A & A BUSINESS SUPPLIES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2021

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 January 2021 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 Companies Act 2006 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.

The financial statements were approved by the board of directors and authorised for issue on 2 August 2021 and are signed on its behalf by:

Mr S Taylor
Director

Company Registration No. 03131986

A & A BUSINESS SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

Company information

A & A Business Supplies Limited is a private company limited by shares incorporated in England and Wales. The registered office is c/o HJS Chartered Accountants, 12-14 Carlton Place, Southampton, Hampshire, England, SO15 2EA.

1.1 Accounting convention

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.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

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.

During the company's year end, the Covid-19 pandemic has continued to spread around the globe, with consequential restrictions on movement and events in many countries. With the country entering into lockdown conditions, in line with many other nations across the globe, there has been disruption to ongoing work and the company, has taken steps to temporarily reduce its work force to compensate for the lower trading levels.

As the company operates in the office and business supplies industry, demand for these services has remained strong throughout the pandemic, and although certain office supply demand has temporarily reduced, other areas have increased. This increase together with cost savings made means the company has maintained profitability to date.

As a result, the directors consider that the measures introduced, together with strong cash reserves will ensure that the company is in a good position to withstand the economic pressures brought about by the Covid-19 pandemic, and has the ability to continue as a going concern for a period of 12 months from the date of approving these financial statements.

1.3 Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

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.

A & A BUSINESS SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

(Continued)

1.4 Intangible fixed assets - goodwill

The Goodwill, being the amount paid in connection with the acquisition of a business in 2005, has been fully amortised.

The Goodwill, being the amount paid in connection with the acquisition of a business in 2008, is being amortised evenly over its estimated remaining useful life of five years. At 31st January 2017, this policy was reviewed and amended to reflect the estimated remaining useful life of the goodwill of 4 years.

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:

Plant and machinery	33% on reducing balance
Fixtures, fittings & equipment	15% on 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 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets. A provision is made for any impairment loss and taken to the profit and loss account.

1.7 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.

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.

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 Financial instruments

The company only enters into Basic financial instrument transactions.

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.

A & A BUSINESS SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

(Continued)

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.

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, loans from fellow group companies and preference shares 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.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

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

1.12 Taxation

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

Current tax

The current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in the tax assessments.

Unrelieved tax losses and other 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.

The company's liability for current and deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

A & A BUSINESS SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

1 Accounting policies

(Continued)

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 pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.17 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 in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

A & A BUSINESS SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	15	15

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 February 2020 and 31 January 2021	379,288
Amortisation and impairment	
At 1 February 2020	355,272
Amortisation charged for the year	24,016
At 31 January 2021	379,288
Carrying amount	
At 31 January 2021	-
At 31 January 2020	24,016

5 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 February 2020	73,127	164,898	238,025
Additions	-	16,865	16,865
At 31 January 2021	73,127	181,763	254,890
Depreciation and impairment			
At 1 February 2020	61,770	119,889	181,659
Depreciation charged in the year	3,785	9,281	13,066
At 31 January 2021	65,555	129,170	194,725
Carrying amount			
At 31 January 2021	7,572	52,593	60,165
At 31 January 2020	11,357	45,009	56,366

A & A BUSINESS SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

6 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	403,121	507,449
Other debtors	89,023	85,173
Prepayments and accrued income	1,210	5,034
	<u>493,354</u>	<u>597,656</u>

7 Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	-	25,220
Trade creditors	285,994	419,931
Corporation tax	47,118	47,902
Other taxation and social security	42,936	39,055
Other creditors	6,566	3,803
Accruals and deferred income	100,387	34,127
	<u>483,001</u>	<u>570,038</u>

8 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Notes		
Bank loans and overdrafts	<u>250,000</u>	<u>-</u>

9 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:

	2021	2020
	£	£
	<u>38,067</u>	<u>67,067</u>

A & A BUSINESS SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2021

10 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

The following amounts were outstanding at the reporting end date:

	2021 £	2020 £
Amounts due to related parties		
Key management personnel	5,022	3,803
	<u> </u>	<u> </u>

The following amounts were outstanding at the reporting end date:

	2021 £	2020 £
Amounts due from related parties		
Key management personnel	51,879	48,057
Other related parties	12,423	15,095
	<u> </u>	<u> </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.