

PEACOCK BAKER LIMITED

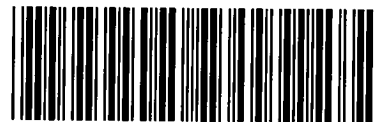
UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018

THURSDAY



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COMPANIES HOUSE

PEACOCK BAKER LIMITED
REGISTERED NUMBER: 04025315

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Intangible assets	4		11,666		23,333
Tangible assets	5		107,542		136,871
Investments	6		4		4
			<u>119,212</u>		<u>160,208</u>
Current assets					
Stocks		45,141		47,114	
Debtors	7	165,149		314,819	
Cash at bank and in hand	8	161,390		159,277	
		<u>371,680</u>		<u>521,210</u>	
Creditors: amounts falling due within one year	9	(349,624)		(530,924)	
Net current assets/(liabilities)			<u>22,056</u>		<u>(9,714)</u>
Total assets less current liabilities			<u>141,268</u>		<u>150,494</u>
Net assets			<u><u>141,268</u></u>		<u><u>150,494</u></u>
Capital and reserves					
Called up share capital - allotted and fully paid			25,500		25,500
Capital redemption reserve			2,833		2,833
Profit and loss account			112,935		122,161
			<u><u>141,268</u></u>		<u><u>150,494</u></u>

PEACOCK BAKER LIMITED
REGISTERED NUMBER: 04025315

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

The Director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.


The Director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The 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 statement of income and retained earnings 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:


.....
Mark N Baker
Director

Date: 29.4.19

The notes on pages 3 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. General information

Peacock Baker Limited is a private limited company, incorporated in England and Wales.

The registered office and principal place of business is Auction Centre, Eastcotts Park, Wallis Way, Bedford, MK42 0PE.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

2.2 Turnover

The turnover shown on the Statement of Income and Retained Earnings represents buyers premiums, selling commissions, valuation charges, and other sales invoiced during the year, exclusive of Value Added Tax.

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. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life.

Other intangible assets

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:

Goodwill - 3 years on a straight line basis

2.4 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.

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:

Plant and equipment	- 20%/33% per annum
Motor vehicles	- 25% per annum
Fixtures and fittings	- 20% per annum

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 Statement of Income and Retained Earnings.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.6 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. Work in progress and finished goods include labour and attributable overheads.

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 profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 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, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and 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 Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings 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.

2.12 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.

2.13 Operating leases: the Company as lessor

Rentals income from operating leases is credited to the Statement of Income and Retained Earnings on a straight line basis over the term of the relevant lease.

2.14 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.15 Pensions

Defined contribution pension plan

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 Statement of Income and Retained Earnings 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.

2.16 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.17 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 59 (2017 - 45).

PEACOCK BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Intangible assets

	Goodwill £
Cost	
At 1 January 2018	35,000
At 31 December 2018	35,000
Amortisation	
At 1 January 2018	11,667
Charge for the year	11,667
At 31 December 2018	23,334
Net book value	
At 31 December 2018	11,666
At 31 December 2017	23,333

PEACOCK BAKER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Tangible fixed assets

	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2018	193,141	213,987	249,823	656,951
Additions	21,088	-	590	21,678
Disposals	(8,024)	-	(14,875)	(22,899)
At 31 December 2018	206,205	213,987	235,538	655,730
Depreciation				
At 1 January 2018	109,751	175,288	235,041	520,080
Charge for the year on owned assets	31,016	16,642	3,349	51,007
Disposals	(8,024)	-	(14,875)	(22,899)
At 31 December 2018	132,743	191,930	223,515	548,188
Net book value				
At 31 December 2018	73,462	22,057	12,023	107,542
At 31 December 2017	83,390	38,699	14,782	136,871

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2018	4
At 31 December 2018	4
Net book value	
At 31 December 2018	4
At 31 December 2017	4

PEACOCK BAKER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
W & H Peacock Auction Limited	Ordinary	100 %	Dormant
Wilson Peacock Limited	Ordinary	100 %	Dormant
Locke & England Auction Limited	Ordinary	100 %	Dormant
Southams Auction Limited	Ordinary	100 %	Dormant

7. Debtors

	2018 £	2017 £
Trade debtors	48,970	36,173
Other debtors	336	430
Prepayments and accrued income	115,843	278,216
	165,149	314,819

8. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	161,390	159,277

PEACOCK BAKER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	34,231	48,034
Amounts owed to group undertakings	116,568	292,880
Corporation tax	15,656	-
Other taxation and social security	117,452	88,299
Other creditors	2,322	30,840
Accruals and deferred income	63,395	70,871
	<u>349,624</u>	<u>530,924</u>
	2018 £	2017 £
Other taxation and social security		
PAYE/NI	16,553	16,592
VAT	100,899	71,707
	<u>117,452</u>	<u>88,299</u>

10. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. There were no outstanding contributions at the year end (2017: £62).

11. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	350,063	410,689
Later than 1 year and not later than 5 years	921,797	1,072,375
Later than 5 years	-	168,750
	<u>1,271,860</u>	<u>1,651,814</u>

PEACOCK BAKER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

12. Related party transactions

There is an amount due to the Company's parent, AKMB Holdings Limited, at 31 December 2018 of £116,568 (2017: £292,880). No interest is being charged on this loan.

The Company has also provided security to the bank on behalf of AKMB Holdings Limited in the form of a guarantee limited to £700,000 plus interest and costs.

Dividends paid from Peacock Baker Limited amounted to £200,000 (2017: £200,000) Intercompany management charges payable from Peacock Baker Limited amounted to £190,000 (2017: £100,000).

13. Client monies

The following assets and liabilities are not included in the Balance Sheet.

	2018 £	2017 £
Client account bank balances	<u>486,928</u>	<u>421,346</u>

The client account balances are monies held on trust on behalf of clients and therefore do not represent an asset of the Company, hence they are not recognised.