

PEACOCK BAKER LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2022



BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	4		52,999		56,938
Tangible assets	5		191,184		114,727
Investments	6		4		4
			<u>244,187</u>		<u>171,669</u>
Current assets					
Stocks		77,209		82,278	
Debtors	7	417,364		464,264	
Cash at bank and in hand	8	138,592		334,988	
		<u>633,165</u>		<u>881,530</u>	
Creditors: amounts falling due within one year	9	(371,856)		(384,797)	
Net current assets			<u>261,309</u>		<u>496,733</u>
Total assets less current liabilities			<u>505,496</u>		<u>668,402</u>
Provisions for liabilities					
Deferred tax			(30,031)		-
Other provisions	10		-		(264,000)
Net assets			<u>475,465</u>		<u>404,402</u>
Capital and reserves					
Called up share capital	11		500		500
Profit and loss account			474,965		403,902
			<u>475,465</u>		<u>404,402</u>

PEACOCK BAKER LIMITED
REGISTERED NUMBER: 04025315

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The Directors consider 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 the Companies Act 2006.


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 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 comprehensive income 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 M Baker
Director

Date:

11.9.23

The notes on pages 4 to 13 form part of these financial statements.

PEACOCK BAKER LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 January 2021	25,500	2,833	243,637	271,970
Profit for the year	-	-	488,432	488,432
Dividends: Equity capital	-	-	(331,000)	(331,000)
Shares cancelled during the year	(25,000)	-	-	(25,000)
Capital reduction	-	(2,833)	2,833	-
At 1 January 2022	500	-	403,902	404,402
Profit for the year	-	-	521,063	521,063
Dividends: Equity capital	-	-	(450,000)	(450,000)
At 31 December 2022	500	-	474,965	475,465

The notes on pages 4 to 13 form part of these financial statements.

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

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.

The presentational currency of the company is GBP and the financial statements are presented in round GBP.

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.

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

2. Accounting policies (continued)

2.2 Turnover (continued)

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.

2.3 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:

Computer software - 10 years on a straight line basis

Other intangible assets are not being amortised until brought into use.

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.

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

2. Accounting policies (continued)

2.4 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:

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 profit or loss.

2.5 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 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.

2.8 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.

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

2. Accounting policies (continued)

2.9 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.

2.10 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 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 Comprehensive Income.

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.

2.11 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.

2.12 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

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

2. Accounting policies (continued)

2.13 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.

2.14 Operating leases: the Company as lessor

Rental income from operating leases is credited to profit or loss on a straight line basis over the lease term.

2.15 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.16 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 profit or loss 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.

2.17 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.18 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 profit or loss 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.

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

2. Accounting policies (continued)

2.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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, 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 63 (2021 - 55).

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

4. Intangible assets

	Computer software £
Cost	
At 1 January 2022	76,938
Additions - internal	1,950
At 31 December 2022	<u>78,888</u>
Amortisation	
At 1 January 2022	20,000
Charge for the year on owned assets	5,889
At 31 December 2022	<u>25,889</u>
Net book value	
At 31 December 2022	<u>52,999</u>
At 31 December 2021	<u>56,938</u>

PEACOCK BAKER LIMITED

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

5. Tangible fixed assets

	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2022	286,949	238,366	251,678	776,993
Additions	116,857	11,200	9,251	137,308
Disposals	(77,519)	-	(218,102)	(295,621)
At 31 December 2022	326,287	249,566	42,827	618,680
Depreciation				
At 1 January 2022	218,932	206,823	236,511	662,266
Charge for the year on owned assets	41,739	13,636	5,476	60,851
Disposals	(77,519)	-	(218,102)	(295,621)
At 31 December 2022	183,152	220,459	23,885	427,496
Net book value				
At 31 December 2022	143,135	29,107	18,942	191,184
At 31 December 2021	68,017	31,543	15,167	114,727

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	4
At 31 December 2022	4

PEACOCK BAKER LIMITED

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

7. Debtors

	2022	2021
	£	£
Trade debtors	19,128	27,440
Amounts owed by group undertakings	306,003	348,383
Other debtors	4,715	1,396
Prepayments and accrued income	87,518	87,045
	417,364	464,264

8. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	138,592	334,988

9. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	64,357	55,435
Corporation tax	100,049	98,885
Other taxation and social security	22,171	101,485
Other creditors	79,917	26,681
Accruals and deferred income	105,362	102,311
	371,856	384,797

10. Provisions

	Dilapidation provision £
At 1 January 2022	264,000
Utilised in year	(264,000)
At 31 December 2022	-

PEACOCK BAKER LIMITED

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

11. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
500 (2021 - 500) Ordinary shares of £1.00 each	500	500

12. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	229,707	229,562
Later than 1 year and not later than 5 years	28,333	229,026
	258,040	458,588

13. Related party transactions

There is an amount due from the Company's parent company, AKMB Holdings Limited, at the balance sheet date of £306,003 (2021: £348,383). 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 £450,000 plus interest and costs.

Dividends paid from Peacock Baker Limited amounted to £450,000 (2021: £331,000). Intercompany management charges payable from Peacock Baker Limited amounted to £530,000 (2021: £350,000).

14. Client monies

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

	2022 £	2021 £
Client account bank balances	492,047	557,526

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 within these financial statements.