Registered number: 04025315

PEACOCK BAKER LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2020

PEACOCK BAKER LIMITED
REGISTERED NUMBER: 04025315

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	4		**29,025**		10,000
Tangible assets	5		**116,109**		93,960
Investments	6		**4**		4
			145,138		103,964
Current assets					
Stocks		**88,552**		98,912	
Debtors	7	**175,912**		153,422	
Cash at bank and in hand	8	**336,258**		248,310	
		600,722		500,644	
Creditors: amounts falling due within one year	9	**(269,890)**		(393,492)	
Net current assets			**330,832**		107,152
Total assets less current liabilities			**475,970**		211,116
Provisions for liabilities					
Other provisions	10	**(204,000)**		-	
Net assets			**271,970**		211,116
Capital and reserves					
Called up share capital			**25,500**		25,500
Capital redemption reserve			**2,833**		2,833
Profit and loss account			**243,637**		182,783
			271,970		211,116

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

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 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:

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Mark N Baker
Director

Date: 17.9.21

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

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. Accounting policies (continued)

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.

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
Computer software	- 3 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.

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 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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 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.

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 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 Income and Retained Earnings in the same period as the related expenditure.

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

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

2.14 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.

2.15 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 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.

2.16 Interest income

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

2. Accounting policies (continued)

2.17 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.

2.18 Taxation

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 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 60 (2019 - 61).

4. Intangible assets

	Computer software £	Goodwill £	Total £
Cost			
At 1 January 2020	10,000	35,000	45,000
Additions - internal	19,025	-	19,025
At 31 December 2020	29,025	35,000	64,025
Amortisation			
At 1 January 2020	-	35,000	35,000
At 31 December 2020	-	35,000	35,000
Net book value			
At 31 December 2020	29,025	-	29,025
At 31 December 2019	10,000	-	10,000

5. Tangible fixed assets

	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2020	229,765	205,837	240,496	676,098
Additions	47,634	25,221	310	73,165
Disposals	(9,930)	(12,682)	-	(22,612)
At 31 December 2020	267,469	218,376	240,806	726,651
Depreciation				
At 1 January 2020	154,897	200,001	227,240	582,138
Charge for the year on owned assets	38,116	7,563	4,356	50,035
Disposals	(8,949)	(12,682)	-	(21,631)
At 31 December 2020	184,064	194,882	231,596	610,542
Net book value				
At 31 December 2020	83,405	23,494	9,210	116,109
At 31 December 2019	74,868	5,836	13,256	93,960

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	4
At 31 December 2020	4

7. Debtors

	2020 £	2019 £
Trade debtors	**56,692**	36,169
Other debtors	**695**	155
Prepayments and accrued income	**118,525**	117,098
	175,912	153,422

8. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	**336,258**	248,310

9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	**32,356**	39,847
Amounts owed to group undertakings	**773**	93,071
Corporation tax	**78,193**	47,097
Other taxation and social security	**94,518**	111,425
Other creditors	**5,548**	8,345
Accruals and deferred income	**58,502**	93,707
	269,890	393,492

10. Provisions

	Dilapidation provision £
Charged to profit or loss	**204,000**
At 31 December 2020	**204,000**

11. Commitments under operating leases

At 31 December 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020	2019
	£	£
Not later than 1 year	**323,433**	340,233
Later than 1 year and not later than 5 years	**518,490**	749,423
	841,923	1,089,656

12. Related party transactions

There is an amount due to the Company's parent company, AKMB Holdings Limited, at 31 December 2020 of £773 (2019: £93,071 due to). 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 £325,000 (2019: £225,000). Intercompany management charges payable from Peacock Baker Limited amounted to £225,000 (2019: £225,000).