

# Taunton Kitchen Company Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 March 2020

# **Taunton Kitchen Company Limited**

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# Taunton Kitchen Company Limited

(Registration number: 04316223)  
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	54,683	66,915
<b>Current assets</b>			
Stocks	<u>5</u>	3,110	16,745
Debtors	<u>6</u>	25,650	8,979
		28,760	25,724
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	(167,661)	(152,515)
<b>Net current liabilities</b>		(138,901)	(126,791)
<b>Total assets less current liabilities</b>		(84,218)	(59,876)
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	(10,815)	(25,123)
<b>Net liabilities</b>		(95,033)	(84,999)
<b>Capital and reserves</b>			
Called up share capital		2	2
Profit and loss account		(95,035)	(85,001)
<b>Total equity</b>		(95,033)	(84,999)

For the financial year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 31 March 2021

.....  
Mr D Sanderson  
Director

# **Taunton Kitchen Company Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Freshford House  
Redcliffe Way  
Bristol  
BS1 6NL

These financial statements were authorised for issue by the director on 31 March 2021.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are prepared in sterling, which is the functional currency of the company, and rounded to the nearest £.

#### **Going concern**

In light of the rapid global spread of the Coronavirus "COVID-19" in early 2020, the director has reviewed and stress tested projections and budgets for the next twelve months. Following this review, the director considers there to be little impact on the Company's ability to act as a going concern.

The director has reviewed the supply chains, key customers and the capital resources available and consider that the company has adequate resources in place to continue trading for the next twelve months.

The company's balance sheet at 31 March 2020 shows that liabilities exceed assets by £95,033 (2019 - £84,999). The director is committed to ensure that the company is able to meet its liabilities on a day to day basis.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity; and
- specific criteria have been met for each of the company's activities.

# **Taunton Kitchen Company Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

### **Finance income and costs policy**

Interest income and expenses are recognised using the effective interest rate method.

### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance

### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

# **Taunton Kitchen Company Limited**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020**

### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 2 (2019 - 2).

# Taunton Kitchen Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

### 4 Tangible assets

	Plant and machinery £	Motor vehicles £	Total £
<b>Cost or valuation</b>			
At 1 April 2019	196,500	53,323	249,823
Additions	125	-	125
Disposals	-	(17,000)	(17,000)
	<hr/>	<hr/>	<hr/>
At 31 March 2020	196,625	36,323	232,948
<b>Depreciation</b>			
At 1 April 2019	151,346	31,562	182,908
Charge for the year	6,792	5,411	12,203
Eliminated on disposal	-	(16,846)	(16,846)
	<hr/>	<hr/>	<hr/>
At 31 March 2020	158,138	20,127	178,265
<b>Carrying amount</b>			
At 31 March 2020	<hr/>	<hr/>	<hr/>
	38,487	16,196	54,683
At 31 March 2019	<hr/>	<hr/>	<hr/>
	45,154	21,761	66,915

### 5 Stocks

	2020 £	2019 £
Other inventories	<hr/>	<hr/>
	3,110	16,745

### 6 Debtors

	2020 £	2019 £
Trade debtors	13,405	8,676
Prepayments and accrued income	<hr/>	<hr/>
	12,245	303
	<hr/>	<hr/>
	25,650	8,979

# Taunton Kitchen Company Limited

## Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

### 7 Creditors

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

	Note	2020 £	2019 £
<b>Due within one year</b>			
Bank loans and overdrafts	<u>8</u>	25,524	22,651
Trade creditors		15,682	12,408
Amounts owed to related parties		114,997	113,255
Taxation and social security		1,653	2,501
Other creditors		9,055	-
Accruals and deferred income		750	1,700
		<u>167,661</u>	<u>152,515</u>

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

	Note	2020 £	2019 £
<b>Due after one year</b>			
Loans and borrowings	<u>8</u>	<u>10,815</u>	<u>25,123</u>

Creditors include bank loans and borrowings which are secured over the assets to which they relate.

### 8 Loans and borrowings

	2020 £	2019 £
<b>Current loans and borrowings</b>		
Bank overdrafts	11,896	9,921
Hire purchase contracts	<u>13,628</u>	<u>12,730</u>
	<u>25,524</u>	<u>22,651</u>

	2020 £	2019 £
<b>Non-current loans and borrowings</b>		
Hire purchase contracts	<u>10,815</u>	<u>25,123</u>



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