Company Registration No. 04391547 (England and Wales)

ABBOT FIRE GROUP LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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ABBOT FIRE GROUP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

		2017		2016	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Goodwill	**7**		59,640		89,460
Tangible assets	**8**		270,123		89,527
			329,763		178,987
Current assets					
Stocks		136,750		82,700	
Debtors	**9**	225,985		189,963	
Cash at bank and in hand		294		995	
		363,029		273,658	
Creditors: amounts falling due within one year	**10**	(455,499)		(343,320)	
Net current liabilities			(92,470)		(69,662)
Total assets less current liabilities			237,293		109,325
Creditors: amounts falling due after more than one year	**11**		(140,679)		(30,241)
Provisions for liabilities			(34,140)		(16,578)
Net assets			62,474		62,506
Capital and reserves					
Called up share capital	**15**		1,000		1,000
Profit and loss reserves	**16**		61,474		61,506
Total equity			62,474		62,506

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 March 2017 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 Act 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.

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2017

The financial statements were approved by the board of directors and authorised for issue on 2 June 2017 and are signed on its behalf by:

Mr N Walton
Director

Company Registration No. 04391547

1 Accounting policies

Company information

Abbot Fire Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Abbots Barn, Radclive Road, Gawcott, Buckingham, Buckinghamshire, United Kingdom, MK18 4AA.

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 a mounts 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.

These financial statements for the year ended 31 March 2017 are the first financial statements of Abbot Fire Group Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 5 years.

1.4 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.

1 Accounting policies **(Continued)**

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	25% straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	20% straight line

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.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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.

1.7 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 Accounting policies **(Continued)**

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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.

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. Financial assets classified as receivable within one year are not amortised.

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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

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

1.10 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the financial statements and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing difference will reverse.

1.11 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

1.14 Factored debts

The company utilises a debt factoring arrangement whereby substantially all of the benefits and risks of the factored debts are retained by the company. It is therefore appropriate to adopt a separate presentation whereby gross factored debts are included on the Balance Sheet within debtors and a corresponding liability in respect of the proceeds received from the factor is shown within secured liabilities. Factoring charges are recognised as they accrue and are included within bank charges and similar charges.

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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 19 (2016 - 20).

4 Directors' remuneration

	2017	2016
	£	£
Remuneration paid to directors	20,654	20,586

Dividends totalling £0 (2016 - £0) were paid in the year in respect of shares held by the company's directors.

5 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	(8,589)	8,589
Deferred tax		
Origination and reversal of timing differences	17,562	(2,758)
Total tax charge	8,973	5,831

6 Dividends

	2017	2016
	£	£
Total dividends	55,500	56,000
	55,500	56,000

7 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 April 2016 and 31 March 2017	149,100
Amortisation and impairment	
At 1 April 2016	59,640
Amortisation charged for the year	29,820
At 31 March 2017	89,460
Carrying amount	
At 31 March 2017	59,640
At 31 March 2016	89,460

8 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2016	5,712	79,155	74,100	158,967
Additions	1,680	9,596	204,581	215,857
Disposals	-	-	(18,525)	(18,525)
At 31 March 2017	7,392	88,751	260,156	356,299
Depreciation and impairment				
At 1 April 2016	1,285	45,783	22,372	69,440
Depreciation charged in the year	1,586	955	19,788	22,329
Eliminated in respect of disposals	-	-	(5,593)	(5,593)
At 31 March 2017	2,871	46,738	36,567	86,176
Carrying amount				
At 31 March 2017	4,521	42,013	223,589	270,123
At 31 March 2016	4,427	33,372	51,728	89,527

8 Tangible fixed assets **(Continued)**

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2017	2016
	£	£
Motor vehicles	223,589	51,728
	223,589	51,728
Depreciation charge for the year in respect of leased assets	19,788	14,820

The company has a fixed and floating charge over all assets in respect of bank loans and overdrafts.

9 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	10,147	9,389
Factored debts	203,103	176,967
Corporation tax recoverable	8,589	-
Prepayments and accrued income	4,146	3,607
	225,985	189,963

10 Creditors: amounts falling due within one year

		2017	2016
	Notes	£	£
Bank loans and overdrafts	12	12,581	8,586
Factoring loans		111,723	103,346
Obligations under finance leases	13	64,315	17,992
Trade creditors		138,918	104,064
Amounts due to related parties		-	35
Corporation tax		-	8,589
Other taxation and social security		54,074	65,134
Director loans		36,565	3,841
Other creditors		15,997	21,216
Accruals and deferred income		21,326	10,517
		455,499	343,320

11 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Obligations under finance leases	13	140,679	30,241

12 Loans and overdrafts

	2017 £	2016 £
Factoring loans	111,723	103,346
Bank loans	12,581	8,586
	124,304	111,932
Payable within one year	124,304	111,932

The bank overdraft is secured by a fixed and floating charge over the company's total assets.

Factoring liabilities are secured by a fixed charge over the company's receivables and a floating charge over the company's total assets.

13 Finance lease obligations

Future minimum lease payments due under finance leases:	2017 £	2016 £
Within one year	64,315	16,281
In two to five years	140,679	31,952
	204,994	48,233

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

14 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	34,140	16,578
	34,140	16,578

15 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

16 Profit and loss reserves

	2017	2016
	£	£
At the beginning of the year	61,506	91,226
Profit for the year	55,468	26,280
Dividends	(55,500)	(56,000)
At the end of the year	61,474	61,506

17 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:

	2017	2016
	£	£
	22,288	29,774

18 Related party transactions

The following amounts were outstanding at the reporting end date:

	2017	2016
Amounts owed to related parties	£	£
Specialist Fire Products (Banbury) Limited, a company under common control	-	35

No guarantees have been given or received.

19 Directors' transactions

During the year the directors loaned the company £32,725, (2016: £1,606). At the balance sheet date the company owed the directors £36,565, (2016: £3,841).

20 Parent company

The company is controlled by the Directors by virtue of their 100% shareholding in the parent company Abbot Fire Group HC Limited.