

Registration number: 04541208

HBCL Coldstores Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 28 February 2018



HBCL Coldstores Limited

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HBCL Coldstores Limited

(Registration number: 04541208)
Balance Sheet as at 28 February 2018

	Note	2018		2017	
		£	£	£	£
Fixed assets					
Intangible assets	4		71,134		81,295
Tangible assets	5		<u>202,321</u>		<u>174,676</u>
			273,455		255,971
Current assets					
Stocks		308,409		169,814	
Debtors	6	468,152		774,092	
Cash at bank and in hand		<u>555,707</u>		<u>711,786</u>	
		1,332,268		1,655,692	
Creditors: Amounts falling due within one year	7	<u>(772,905)</u>		<u>(991,766)</u>	
Net current assets			<u>559,363</u>		<u>663,926</u>
Total assets less current liabilities			832,818		919,897
Creditors: Amounts falling due after more than one year	7		(62,659)		(43,369)
Provisions for liabilities			<u>(27,000)</u>		<u>(17,000)</u>
Net assets			<u>743,159</u>		<u>859,528</u>
Capital and reserves					
Called up share capital	9	401		401	
Capital redemption reserve		300		300	
Profit and loss account		<u>742,458</u>		<u>858,827</u>	
Total equity			<u>743,159</u>		<u>859,528</u>

For the financial year ending 28 February 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.


Directors' 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 directors acknowledge their 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 Board on 22 August 2018 and signed on its behalf by:



C Lovett
Director

The notes on pages 2 to 7 form an integral part of these financial statements.

HBCL Coldstores Limited

Notes to the Financial Statements for the Year Ended 28 February 2018

1 General information

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

The address of its registered office is:

Merrydale House
Roydsdale Way
Euroway Industrial Estate
Bradford
BD4 6SB

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' Section 1A 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 company's functional and presentation currency is pound sterling.

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 value added tax, returns, rebates and discounts.

The company recognises revenue when the significant risks and rewards of ownership have been transferred to the buyer; the company retains no continuing involvement or control over the goods; the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

HBCL Coldstores Limited

Notes to the Financial Statements for the Year Ended 28 February 2018

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:

Asset class	Depreciation method and rate
Plant and machinery	10-33% straight line basis
Fixtures and fittings	33% straight line basis
Motor vehicles	25% straight line basis

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	over 15 years

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. 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.

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Notes to the Financial Statements for the Year Ended 28 February 2018

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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.

Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, 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 for a similar asset. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss and any subsequent reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, 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 for a similar debt instrument.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 38 (2017 - 41).

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Notes to the Financial Statements for the Year Ended 28 February 2018

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 March 2017	<u>152,427</u>	<u>152,427</u>
At 28 February 2018	<u>152,427</u>	<u>152,427</u>
Amortisation		
At 1 March 2017	71,132	71,132
Amortisation charge	<u>10,161</u>	<u>10,161</u>
At 28 February 2018	<u>81,293</u>	<u>81,293</u>
Carrying amount		
At 28 February 2018	<u>71,134</u>	<u>71,134</u>
At 28 February 2017	<u>81,295</u>	<u>81,295</u>

5 Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 March 2017	292,913	68,802	344,299	706,014
Additions	6,674	-	120,900	127,574
Disposals	<u>-</u>	<u>-</u>	<u>(78,806)</u>	<u>(78,806)</u>
At 28 February 2018	<u>299,587</u>	<u>68,802</u>	<u>386,393</u>	<u>754,782</u>
Depreciation				
At 1 March 2017	210,192	65,385	255,761	531,338
Charge for the year	42,151	1,700	56,078	99,929
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(78,806)</u>	<u>(78,806)</u>
At 28 February 2018	<u>252,343</u>	<u>67,085</u>	<u>233,033</u>	<u>552,461</u>
Carrying amount				
At 28 February 2018	<u>47,244</u>	<u>1,717</u>	<u>153,360</u>	<u>202,321</u>
At 28 February 2017	<u>82,721</u>	<u>3,417</u>	<u>88,538</u>	<u>174,676</u>

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Notes to the Financial Statements for the Year Ended 28 February 2018

6 Debtors

	2018 £	2017 £
Trade debtors	428,756	753,673
Other debtors	750	-
Prepayments	<u>38,646</u>	<u>20,419</u>
	<u>468,152</u>	<u>774,092</u>

7 Creditors

	Note	2018 £	2017 £
Due within one year			
Loans and borrowings	8	116,118	96,865
Trade creditors		390,601	493,140
Other current financial liabilities		51,952	20,266
Social security and other taxes		140,581	232,404
Corporation tax liability		36,000	103,697
Accruals and deferred income		<u>37,653</u>	<u>45,394</u>
		<u>772,905</u>	<u>991,766</u>
Due after one year			
Loans and borrowings	8	<u>62,659</u>	<u>43,369</u>

8 Loans and borrowings

	2018 £	2017 £
Current loans and borrowings		
Finance lease liabilities	63,479	34,186
Other borrowings	<u>52,639</u>	<u>62,679</u>
	<u>116,118</u>	<u>96,865</u>
Non-current loans and borrowings		
Finance lease liabilities	<u>62,659</u>	<u>43,369</u>

Finance lease liabilities are secured on the assets to which they relate.

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Notes to the Financial Statements for the Year Ended 28 February 2018

9 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary shares of £1 each	400	400	400	400
A ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u>401</u>	<u>401</u>	<u>401</u>	<u>401</u>

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £188,483 (2017 - £59,167). This financial commitment is in respect of operating leases.

11 Related party transactions

Transactions with directors

During the year advances of £30,782 were made to a director and fully repaid.