

**Abbotts (S.W.) Limited**  
**Annual Report and Unaudited Financial Statements**  
**Year Ended 31 December 2019**

**Registration number: 04678740**

**Abbotts (S.W.) Limited**

**Contents**

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Financial Statements	<u>4</u> to <u>12</u>

# **Abbotts (S.W.) Limited**

## Company Information

<b>Directors</b>	S P Abbott R J Abbott
<b>Registered office</b>	Lowin House Tregolls Road TRURO Cornwall TR1 2NA
<b>Accountants</b>	Francis Clark LLP Lowin House Tregolls Road Truro Cornwall TR1 2NA

# Abbotts (S.W.) Limited

## Balance Sheet

31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	232,168	246,917
Tangible assets	<u>5</u>	526,811	452,482
Other financial assets		1,000	1,000
		<u>759,979</u>	<u>700,399</u>
<b>Current assets</b>			
Stocks		248,761	303,418
Debtors	<u>6</u>	376,116	489,442
Cash at bank and in hand		118	1
		<u>624,995</u>	<u>792,861</u>
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(654,271)</u>	<u>(662,975)</u>
<b>Net current (liabilities)/assets</b>		<u>(29,276)</u>	<u>129,886</u>
<b>Total assets less current liabilities</b>		730,703	830,285
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(299,979)</u>	<u>(310,441)</u>
<b>Provisions for liabilities</b>		<u>(77,978)</u>	<u>(72,430)</u>
<b>Net assets</b>		<u>352,746</u>	<u>447,414</u>
<b>Capital and reserves</b>			
Called up share capital		200	200
Non- distributable reserve		70,882	88,070
Profit and loss account		<u>281,664</u>	<u>359,144</u>
<b>Total equity</b>		<u>352,746</u>	<u>447,414</u>

# Abbotts (S.W.) Limited

## Balance Sheet

31 December 2019

For the financial year ending 31 December 2019 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 and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 10 November 2020 and signed on its behalf by:

.....

S P Abbott

Director

Company Registration Number: 04678740

# **Abbotts (S.W.) Limited**

## **Notes to the Financial Statements**

**Year Ended 31 December 2019**

### **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:

Lowin House  
Tregolls Road  
TRURO  
Cornwall  
TR1 2NA

### **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.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the supply of goods to the catering and licensed trade industry. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the company.

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.

#### **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.

# Abbotts (S.W.) Limited

## Notes to the Financial Statements

### Year Ended 31 December 2019

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### Tangible assets

Tangible assets are stated in the balance sheet 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
Leasehold land and buildings	Straight line over the remaining life of the lease
Modular showroom	5% Straight line
Motor vehicles	25% Reducing balance
Hire department equipment	5% Straight line
Computer equipment	20% Straight line
Fixtures, fittings and equipment	15% Reducing balance

#### 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
Website development and software	20% Straight line
Goodwill	5% Straight line

#### 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 stocks 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.

# **Abbotts (S.W.) Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 December 2019**

#### **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.

#### **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.



# **Abbotts (S.W.) Limited**

## **Notes to the Financial Statements**

**Year Ended 31 December 2019**

### **Financial instruments**

#### ***Classification***

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

#### ***Recognition and measurement***

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 28 (2018 - 30).

# Abbotts (S.W.) Limited

## Notes to the Financial Statements

Year Ended 31 December 2019

### 4 Intangible assets

	Goodwill £	Website and software £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	325,000	5,072	330,072
Additions acquired separately	-	2,450	2,450
At 31 December 2019	325,000	7,522	332,522
<b>Amortisation</b>			
At 1 January 2019	78,542	4,613	83,155
Amortisation charge	16,250	949	17,199
At 31 December 2019	94,792	5,562	100,354
<b>Carrying amount</b>			
At 31 December 2019	230,208	1,960	232,168
At 31 December 2018	246,458	459	246,917

# Abbotts (S.W.) Limited

## Notes to the Financial Statements

Year Ended 31 December 2019

### 5 Tangible assets

	Land and buildings £	Fixtures, fittings and computer equipment £	Motor vehicles £	Hire department equipment £	Modular showroom £
<b>Cost or valuation</b>					
At 1 January 2019	3,198	143,632	193,828	341,055	63,907
Additions	-	46,999	63,790	62,587	-
Disposals	-	-	(83,137)	-	-
At 31 December 2019	3,198	190,631	174,481	403,642	63,907
<b>Depreciation</b>					
At 1 January 2019	960	68,803	85,736	131,748	5,891
Charge for the year	319	19,071	31,290	15,193	2,945
Eliminated on disposal	-	-	(52,908)	-	-
At 31 December 2019	1,279	87,874	64,118	146,941	8,836
<b>Carrying amount</b>					
At 31 December 2019	1,919	102,757	110,363	256,701	55,071
At 31 December 2018	2,238	74,829	108,092	209,307	58,016

Included within the net book value of land and buildings above is £1,919 (2018 - £2,238) in respect of short leasehold land and buildings.

# Abbotts (S.W.) Limited

## Notes to the Financial Statements

Year Ended 31 December 2019

### 6 Debtors

	2019 £	2018 £
Trade debtors	194,645	238,641
Other debtors	160,190	228,166
Prepayments	21,281	22,635
	<u>376,116</u>	<u>489,442</u>

### 7 Creditors

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

	Note	2019 £	2018 £
<b>Due within one year</b>			
Loans and borrowings	<u>8</u>	292,940	283,385
Trade creditors		284,278	272,975
Corporation tax		12,995	41,523
Social security and other taxes		38,635	38,495
Other creditors		11,186	12,234
Accrued expenses		<u>14,237</u>	<u>14,363</u>
		<u>654,271</u>	<u>662,975</u>

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

	Note	2019 £	2018 £
<b>Due after one year</b>			
Loans and borrowings	<u>8</u>	<u>299,979</u>	<u>310,441</u>

# Abbotts (S.W.) Limited

## Notes to the Financial Statements

Year Ended 31 December 2019

### 8 Loans and borrowings

	2019 £	2018 £
<b>Current loans and borrowings</b>		
Bank borrowings	203,382	221,933
Bank overdrafts	26,844	11,815
Finance lease liabilities	56,151	43,075
Other borrowings	6,563	6,562
	<u>292,940</u>	<u>283,385</u>
	2019 £	2018 £
<b>Loans and borrowings due after one year</b>		
Bank borrowings	213,691	229,946
Finance lease liabilities	85,742	73,386
Other borrowings	546	7,109
	<u>299,979</u>	<u>310,441</u>

The bank borrowings are secured by a fixed and floating charge over all assets of the company. Bank borrowings also includes amounts secured on the book debts of the company.

The finance lease liabilities are secured against the underlying assets.

### 9 Share capital

#### Allotted, called up and fully paid shares

	No.	2019 £	No.	2018 £
Ordinary shares of £1 each	100	100	100	100
Ordinary A Shares of £1 each	52	52	52	52
Ordinary B Shares of £1 each	48	48	48	48
	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

# Abbotts (S.W.) Limited

## Notes to the Financial Statements

Year Ended 31 December 2019

### 10 Related party transactions

#### *Advances to directors*

	At 1 January 2019 £	Advances to director £	Repayments by director £	At 31 December 2019 £
<b>2019</b>				
<b>S P Abbott and C A Abbott</b>				
Interest free loan repayable on demand	89,272	105,500	(151,346)	43,426

	At 1 January 2018 £	Advances to director £	Repayments by director £	At 31 December 2018 £
<b>2018</b>				
<b>S P Abbott and C A Abbott</b>				
Interest free loan repayable on demand	40,009	125,198	(75,935)	89,272

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.