

Abbotts (S.W.) Limited
Annual Report and Unaudited Financial Statements
Year Ended 31 December 2017

Registration number: 04678740

Abbotts (S.W.) Limited

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Abbotts (S.W.) Limited

Company Information

Directors C A Abbott
S P Abbott
R J Abbott
M D Abbott

Company secretary C A Abbott

Registered office Lowin House
Tregolls Road
TRURO
Cornwall
TR1 2NA

Accountants Francis Clark LLP
Lowin House
Tregolls Road
Truro
Cornwall
TR1 2NA

Abbotts (S.W.) Limited

Balance Sheet

31 December 2017

| | Note | 2017 £ | 2016 £ |
|--|----------|------------------|------------------|
| Fixed assets | | | |
| Goodwill | | 262,708 | 278,958 |
| Intangible assets not including goodwill | <u>4</u> | 917 | 1,559 |
| Tangible assets | <u>5</u> | 468,130 | 398,354 |
| Other financial assets | | 1,000 | 1,000 |
| | | <u>732,755</u> | <u>679,871</u> |
| Current assets | | | |
| Stocks | | 378,013 | 317,399 |
| Debtors | <u>6</u> | 491,227 | 467,082 |
| Cash at bank and in hand | | 30,988 | 49,066 |
| | | <u>900,228</u> | <u>833,547</u> |
| Creditors: Amounts falling due within one year | <u>7</u> | <u>(809,482)</u> | <u>(735,031)</u> |
| Net current assets | | <u>90,746</u> | <u>98,516</u> |
| Total assets less current liabilities | | 823,501 | 778,387 |
| Creditors: Amounts falling due after more than one year | <u>7</u> | <u>(357,009)</u> | <u>(341,608)</u> |
| Provisions for liabilities | | <u>(74,397)</u> | <u>(74,947)</u> |
| Net assets | | <u>392,095</u> | <u>361,832</u> |
| Capital and reserves | | | |
| Called up share capital | | 200 | 200 |
| Non- distributable reserve | | 103,588 | 126,391 |
| Profit and loss account | | <u>288,307</u> | <u>235,241</u> |
| Total equity | | <u>392,095</u> | <u>361,832</u> |

The notes on pages 4 to 12 form an integral part of these financial statements.

Abbotts (S.W.) Limited

Balance Sheet

31 December 2017

For the financial year ending 31 December 2017 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 6 September 2018 and signed on its behalf by:

.....

S P Abbott

Director

Company Registration Number: 04678740

The notes on pages 4 to 12 form an integral part of these financial statements.

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Abbotts (S.W.) Limited

Notes to the Financial Statements

Year Ended 31 December 2017

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 2017

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 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 |
|----------------------------------|--|
| Leasehold land and buildings | Straight line over the remaining life of the lease |
| Motor vehicles | 25% Reducing balance |
| Hire department equipment | 10% 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 2017

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 2017

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.

Abbotts (S.W.) Limited

Notes to the Financial Statements

Year Ended 31 December 2017

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 30 (2016 - 27).

4 Intangible assets

| | Goodwill £ | Website and software £ | Total £ |
|--------------------------|----------------------|--------------------------------------|-------------------|
| Cost or valuation | | | |
| At 1 January 2017 | 325,000 | 5,072 | 330,072 |
| At 31 December 2017 | 325,000 | 5,072 | 330,072 |
| Amortisation | | | |
| At 1 January 2017 | 46,042 | 3,513 | 49,555 |
| Amortisation charge | 16,250 | 642 | 16,892 |
| At 31 December 2017 | 62,292 | 4,155 | 66,447 |
| Carrying amount | | | |
| At 31 December 2017 | 262,708 | 917 | 263,625 |
| At 31 December 2016 | 278,958 | 1,559 | 280,517 |

Abbotts (S.W.) Limited

Notes to the Financial Statements

Year Ended 31 December 2017

5 Tangible assets

| | Land and buildings £ | Fixtures, fittings and computer equipment £ | Motor vehicles £ | Hire department equipment £ | Modular showroom £ |
|------------------------------|----------------------------|---|------------------------|--------------------------------------|--------------------------|
| Cost or valuation | | | | | |
| At 1 January 2017 | 2,878 | 127,036 | 113,446 | 319,052 | - |
| Additions | - | 9,181 | 70,870 | 9,596 | 63,907 |
| Disposals | - | - | (31,538) | - | - |
| At 31 December 2017 | 2,878 | 136,217 | 152,778 | 328,648 | 63,907 |
| Depreciation | | | | | |
| At 1 January 2017 | - | 38,935 | 58,146 | 66,978 | - |
| Charge for the year | 320 | 15,391 | 19,173 | 31,905 | 2,946 |
| Eliminated on disposal | - | - | (17,496) | - | - |
| At 31 December 2017 | 320 | 54,326 | 59,823 | 98,883 | 2,946 |
| Carrying amount | | | | | |
| At 31 December 2017 | 2,558 | 81,891 | 92,955 | 229,765 | 60,961 |
| At 31 December 2016 | 2,878 | 88,102 | 55,300 | 252,074 | - |

Included within the net book value of land and buildings above is £2,558 (2016 - £2,878) in respect of short leasehold land and buildings.

Abbotts (S.W.) Limited

Notes to the Financial Statements

Year Ended 31 December 2017

6 Debtors

| | 2017 £ | 2016 £ |
|---------------|----------------|----------------|
| Trade debtors | 277,936 | 284,438 |
| Other debtors | 191,084 | 171,461 |
| Prepayments | 22,207 | 11,183 |
| | <u>491,227</u> | <u>467,082</u> |

Abbotts (S.W.) Limited

Notes to the Financial Statements

Year Ended 31 December 2017

7 Creditors

Creditors: amounts falling due within one year

| | Note | 2017 £ | 2016 £ |
|---------------------------------|----------|----------------|----------------|
| Due within one year | | | |
| Loans and borrowings | <u>8</u> | 348,304 | 352,499 |
| Trade creditors | | 367,545 | 299,564 |
| Corporation tax | | 23,565 | 24,713 |
| Social security and other taxes | | 42,857 | 40,645 |
| Other creditors | | 14,477 | - |
| Accrued expenses | | 12,734 | 17,610 |
| | | <u>809,482</u> | <u>735,031</u> |
| Due after one year | | | |
| Loans and borrowings | <u>8</u> | <u>357,009</u> | <u>341,608</u> |

8 Loans and borrowings

| | 2017 £ | 2016 £ |
|--|----------------|----------------|
| Current loans and borrowings | | |
| Bank borrowings | 258,951 | 278,779 |
| Bank overdrafts | 36,527 | 45,139 |
| Finance lease liabilities | 46,263 | 28,581 |
| Other borrowings | 6,563 | - |
| | <u>348,304</u> | <u>352,499</u> |
| | 2017 £ | 2016 £ |
| Loans and borrowings due after one year | | |
| Bank borrowings | 265,736 | 306,057 |
| Finance lease liabilities | 77,601 | 35,551 |
| Other borrowings | 13,672 | - |
| | <u>357,009</u> | <u>341,608</u> |

Abbotts (S.W.) Limited

Notes to the Financial Statements

Year Ended 31 December 2017

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

| | 2017 | | 2016 | |
|------------------------------|------|-----|------|-----|
| | No. | £ | No. | £ |
| 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 |
| | 200 | 200 | 200 | 200 |

10 Related party transactions

During the year the directors introduced funds totalling £66,079 (2016 £343,407) and withdrew funds totalling £102,013 (2016 £386,621). At the balance sheet date the amount due from the directors was £40,009 (2016 £4,075).

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