

COMPANY REGISTRATION NUMBER: 2879672

KANG & MAND LIMITED

Filleted Unaudited Financial Statements

31 December 2020

KANG & MAND LIMITED

Financial Statements

Year ended 31 December 2020

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KANG & MAND LIMITED

Chartered Certified Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of KANG & MAND LIMITED

Year ended 31 December 2020

As described on the statement of financial position, the directors of the company are responsible for the preparation of the financial statements for the year ended 31 December 2020, which comprise the statement of financial position and the related notes. You consider that the company is exempt from an audit under the Companies Act 2006. In accordance with your instructions we have compiled these financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

VAGHELA & CO. (SERVICES) LTD. Chartered Certified Accountants

P.O. Box 10901 Birmingham B1 1ZQ

24 December 2021

KANG & MAND LIMITED**Statement of Financial Position****31 December 2020**

| | | 2020 | 2019 |
|--|------|---------|-----------|
| | Note | £ | £ |
| Fixed assets | | | |
| Intangible assets | 5 | 1 | 1 |
| Tangible assets | 6 | 670,348 | 673,586 |
| Investments | 7 | 1,193 | 1,355 |
| | | ----- | ----- |
| | | 671,542 | 674,942 |
| Current assets | | | |
| Debtors | 8 | 56,688 | 25,731 |
| Cash at bank and in hand | | 11,633 | 25,264 |
| | | ----- | ----- |
| | | 68,321 | 50,995 |
| Creditors: amounts falling due within one year | 9 | 44,935 | 67,194 |
| | | ----- | ----- |
| Net current assets/(liabilities) | | 23,386 | (16,199) |
| | | ----- | ----- |
| Total assets less current liabilities | | 694,928 | 658,743 |
| Creditors: amounts falling due after more than one year | 10 | 287,032 | 283,639 |
| Provisions | | | |
| Taxation including deferred tax | 11 | 29,139 | 29,139 |
| | | ----- | ----- |
| Net assets | | 378,757 | 345,965 |
| | | ----- | ----- |
| Capital and reserves | | | |
| Called up share capital | 13 | 20,000 | 20,000 |
| Profit and loss account | | 358,757 | 325,965 |
| | | ----- | ----- |
| Shareholders funds | | 378,757 | 345,965 |
| | | ----- | ----- |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 December 2020 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

KANG & MAND LIMITED

Statement of Financial Position *(continued)*

31 December 2020

These financial statements were approved by the board of directors and authorised for issue on 24 December 2021 , and are signed on behalf of the board by:

Mr. B. Singh

Director

Company registration number: 2879672

KANG & MAND LIMITED**Notes to the Financial Statements****Year ended 31 December 2020**

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 1 Fawdry Street, Cape Hill, Smethwick, Warley, B66 2SD.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:(b) No cash flow statement has been presented for the company.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that 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 that are expected to apply to the reversal of the timing difference.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

| | | |
|----------|---|-------------------|
| Goodwill | - | 10% straight line |
|----------|---|-------------------|

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|-----------------------|---|-------------------|
| Fixtures and Fittings | - | 10% straight line |
| Motor Vehicles | - | 25% straight line |
| Equipment | - | 25% straight line |

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

4. Tax on profit

Major components of tax expense

| | 2020 | 2019 |
|------------------------|--------------|-------|
| | £ | £ |
| Current tax: | | |
| UK current tax expense | 7,602 | 6,946 |
| | ----- | ----- |
| Tax on profit | 7,602 | 6,946 |
| | ----- | ----- |

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK of 19 % (2019: 19 %).

| | 2020 | 2019 |
|---|---------------|--------|
| | £ | £ |
| Profit on ordinary activities before taxation | 40,394 | 37,937 |
| | ----- | ----- |
| Profit on ordinary activities by rate of tax | 7,196 | 7,196 |
| Effect of capital allowances and depreciation | 406 | (250) |
| | ----- | ----- |
| Tax on profit | 7,602 | 6,946 |
| | ----- | ----- |

5. Intangible assets

| | Goodwill £ |
|---|-----------------------|
| Cost | |
| At 1 January 2020 and 31 December 2020 | 30,339 |
| | ----- |
| Amortisation | |
| At 1 January 2020 and 31 December 2020 | 30,338 |
| | ----- |
| Carrying amount | |
| At 31 December 2020 | 1 |
| | ----- |
| At 31 December 2019 | 1 |
| | ----- |

6. Tangible assets

| | Land and buildings £ | Fixtures and fittings £ | Motor vehicles £ | Equipment £ | Total £ |
|---|----------------------------|-------------------------------|---------------------|----------------|--------------------|
| Cost | | | | | |
| At 1 January 2020 and 31 December 2020 | 661,137 | 228,966 | 55,451 | 8,643 | 954,197 |
| | ----- | ----- | ----- | ----- | ----- |
| Depreciation | | | | | |
| At 1 January 2020 | - | 216,524 | 55,445 | 8,642 | 280,611 |
| Charge for the year | - | 3,238 | - | - | 3,238 |
| | ----- | ----- | ----- | ----- | ----- |
| At 31 December 2020 | - | 219,762 | 55,445 | 8,642 | 283,849 |
| | ----- | ----- | ----- | ----- | ----- |
| Carrying amount | | | | | |
| At 31 December 2020 | 661,137 | 9,204 | 6 | 1 | 670,348 |
| | ----- | ----- | ----- | ----- | ----- |
| At 31 December 2019 | 661,137 | 12,442 | 6 | 1 | 673,586 |
| | ----- | ----- | ----- | ----- | ----- |

Included in land and buildings is freehold land valued at £50,000 (2019 - £50,000) which is not depreciated. At 31 December 2020, included within the net book value of land and buildings, £611,137 relates to freehold buildings and £50,000 relates to freehold land.

7. Investments

| | Other investments other than loans £ |
|---|---|
| Cost | |
| At 1 January 2020 | 1,355 |
| Revaluations | (162) |
| | ----- |
| At 31 December 2020 | 1,193 |
| | ----- |
| Impairment | |
| At 1 January 2020 and 31 December 2020 | - |
| | ----- |
| Carrying amount | |
| At 31 December 2020 | 1,193 |
| | ----- |
| At 31 December 2019 | 1,355 |
| | ----- |

This consists of 367 shares of £1 each in Aviva Plc and their market value was £3.25 each on 31 December 2020.

8. Debtors

| | 2020 | 2019 |
|---------------|--------|--------|
| | £ | £ |
| Trade debtors | 7,200 | - |
| Other debtors | 49,488 | 25,731 |
| | ----- | ----- |
| | 56,688 | 25,731 |
| | ----- | ----- |

9. Creditors: amounts falling due within one year

| | 2020 | 2019 |
|---------------------------------|----------|--------|
| | £ | £ |
| Trade creditors | - | 1,179 |
| Corporation tax | 15,409 | 13,333 |
| Social security and other taxes | 2,201 | 2,201 |
| Other creditors - loans | 30,228 | 30,227 |
| Other creditors | (2,903) | 20,254 |
| | ----- | ----- |
| | 44,935 | 67,194 |
| | ----- | ----- |

10. Creditors: amounts falling due after more than one year

| | 2020 | 2019 |
|---------------------------|---------|---------|
| | £ | £ |
| Bank loans and overdrafts | 287,032 | 283,639 |
| | ----- | ----- |

11. Provisions

| | Deferred tax (note 12) |
|--|---------------------------|
| | £ |
| At 1 January 2020 and 31 December 2020 | 29,139 |
| | ----- |

12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

| | 2020 | 2019 |
|----------------------------------|--------|--------|
| | £ | £ |
| Included in provisions (note 11) | 29,139 | 29,139 |
| | ----- | ----- |

The deferred tax account consists of the tax effect of timing differences in respect of:

| | 2020 | 2019 |
|--------------------------------|--------|--------|
| | £ | £ |
| Revaluation of tangible assets | 29,139 | 29,139 |
| | ----- | ----- |

13. Called up share capital
Authorised share capital

| | 2020 | | 2019 | |
|-----------------------------|--------|--------|--------|--------|
| | No. | £ | No. | £ |
| Ordinary shares of £ 1 each | 20,000 | 20,000 | 20,000 | 20,000 |
| | ----- | ----- | ----- | ----- |

Issued, called up and fully paid

| | 2020 | | 2019 | |
|-----------------------------|--------|--------|--------|--------|
| | No. | £ | No. | £ |
| Ordinary shares of £ 1 each | 20,000 | 20,000 | 20,000 | 20,000 |
| | ----- | ----- | ----- | ----- |

14. Contingencies

HM Revenue & Customs have raised a vat assessment on 19th June 2018 in the sum of £63,627, in respect of input vat claimed on the purchase of the freehold of The Vine, Vauxhall Street, Wolverhampton, WV1 4TA, which is subject to a formal appeal to HM Courts & Tribunal Services. No provision has been made in these accounts in respect of the Vat claimed being now disallowed.

15. Directors' advances, credits and guarantees

At 31st December 2020, other creditors include the following amounts due to/from the directors:- Mr A. Singh £33,090dr (2019 - £9,333dr) Mr B. Singh £4,703dr (2019 - £19,054cr) The loans are interest-free but repayable on demand.

16. Related party transactions

HQ Foods (Birmingham) Ltd, an associated company occupies freehold premises owned by HQ Foods Ltd. It has been agreed that £24,000 excluding Vat will be charged on an annual basis. No Dividends have been paid to directors Mr A. Singh and Mr B. Singh, for the period under review.

