

Northern Refrigeration & Catering Equipment Ltd.

Annual Report and Unaudited Financial Statements

for the Year Ended 30 April 2019

Seals King & Co. Limited
Chartered Accountants
17 Brunts St
Mansfield
Nottinghamshire
NG18 1AX

Northern Refrigeration & Catering Equipment Ltd.

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Northern Refrigeration & Catering Equipment Ltd.

Company Information

Director Mr MHR Brown

Registered office Eckington Business Park
Rotherside Road Eckington
Sheffield
South Yorkshire
S21 4HL

Accountants Seals King & Co. Limited
Chartered Accountants
17 Brunts St
Mansfield
Nottinghamshire
NG18 1AX

Northern Refrigeration & Catering Equipment Ltd.

(Registration number: 3077049) Balance Sheet as at 30 April 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	123,910	154,859
Current assets			
Stocks	6	223,019	82,281
Debtors	7	623,236	361,346
Cash at bank and in hand		-	63,324
		846,255	506,951
Creditors: Amounts falling due within one year	8	(676,029)	(450,748)
Net current assets		170,226	56,203
Total assets less current liabilities		294,136	211,062
Creditors: Amounts falling due after more than one year	8	(155,183)	(56,173)
Provisions for liabilities		(5,589)	(6,924)
Net assets		133,364	147,965
Capital and reserves			
Called up share capital	9	200	200
Profit and loss account		133,164	147,765
Total equity		133,364	147,965

For the financial year ending 30 April 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 director on 6 September 2019

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Mr MHR Brown
Director

The notes on pages [3](#) to [9](#) form an integral part of these financial statements.

Northern Refrigeration & Catering Equipment Ltd.

Notes to the Financial Statements for the Year Ended 30 April 2019

1 General information

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

The address of its registered office is:

Eckington Business Park
Rotherside Road Eckington
Sheffield
South Yorkshire
S21 4HL

These financial statements were authorised for issue by the director on 6 September 2019.

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 sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

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

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 income 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.

Northern Refrigeration & Catering Equipment Ltd.

Notes to the Financial Statements for the Year Ended 30 April 2019

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
Land and buildings	2% straight line method
Plant and machinery	25% on reducing value
Motor vehicles	25% on reducing value

Cash and cash equivalents

These comprise cash at bank and other short-term highly liquid bank deposits with an original maturity of three months or less.

Trade debtors

Debtors do not carry any interest and are stated at their nominal value. Appropriate allowances for estimated irrecoverable amounts are recognised in the Profit and Loss account when there is objective evidence that the asset is impaired.

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.

Trade creditors

Trade creditors are not interest bearing and are stated at their nominal value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Northern Refrigeration & Catering Equipment Ltd.

Notes to the Financial Statements for the Year Ended 30 April 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.

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.

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.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 11 (2018 - 11).

Northern Refrigeration & Catering Equipment Ltd.

Notes to the Financial Statements for the Year Ended 30 April 2019

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 May 2018	43,000	43,000
At 30 April 2019	43,000	43,000
Amortisation		
At 1 May 2018	43,000	43,000
At 30 April 2019	43,000	43,000
Carrying amount		
At 30 April 2019	-	-

5 Tangible assets

	Land and buildings £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 May 2018	6,700	50,027	215,092	271,819
Additions	-	18,600	-	18,600
Disposals	-	(17,000)	-	(17,000)
At 30 April 2019	6,700	51,627	215,092	273,419
Depreciation				
At 1 May 2018	2,211	30,227	84,522	116,960
Charge for the year	134	7,209	32,643	39,986
Eliminated on disposal	-	(7,437)	-	(7,437)
At 30 April 2019	2,345	29,999	117,165	149,509
Carrying amount				
At 30 April 2019	4,355	21,628	97,927	123,910
At 30 April 2018	4,489	19,800	130,570	154,859

Included within the net book value of land and buildings above is £4,355 (2018 - £4,489) in respect of short leasehold land and buildings.

Northern Refrigeration & Catering Equipment Ltd.

Notes to the Financial Statements for the Year Ended 30 April 2019

6 Stocks

	2019 £	2018 £
Work in progress	129,488	-
Other inventories	93,531	82,281
	<u>223,019</u>	<u>82,281</u>

7 Debtors

	2019 £	2018 £
Trade debtors	541,472	282,346
Prepayments	-	15,000
Other debtors	81,764	64,000
	<u>623,236</u>	<u>361,346</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Bank loans and overdrafts	10	340,297	71,709
Trade creditors		263,749	260,707
Taxation and social security		735	71,112
Accruals and deferred income		13,120	13,802
Other creditors		58,128	33,418
		<u>676,029</u>	<u>450,748</u>

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	10	155,183	56,173

Northern Refrigeration & Catering Equipment Ltd.

Notes to the Financial Statements for the Year Ended 30 April 2019

9 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary of £1 each	200	200	200	200

Northern Refrigeration & Catering Equipment Ltd.

Notes to the Financial Statements for the Year Ended 30 April 2019

10 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Finance lease liabilities	-	3,923
Other borrowings	155,183	52,250
	<u>155,183</u>	<u>56,173</u>

	2019 £	2018 £
Current loans and borrowings		
Bank overdrafts	223,909	-
Finance lease liabilities	-	8,709
Other borrowings	116,388	63,000
	<u>340,297</u>	<u>71,709</u>