

JKL Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 November 2017

JKL Limited

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JKL Limited

(Registration number: 03364921) Balance Sheet as at 30 November 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>5</u>	1,974,921	2,010,199
Current assets			
Stock and work in progress	<u>6</u>	158,994	156,398
Debtors	<u>7</u>	937,281	655,500
Cash at bank and in hand		<u>101,284</u>	<u>202,714</u>
		1,197,559	1,014,612
Creditors: Amounts falling due within one year	<u>8</u>	<u>(442,124)</u>	<u>(417,895)</u>
Net current assets		<u>755,435</u>	<u>596,717</u>
Total assets less current liabilities		2,730,356	2,606,916
Creditors: Amounts falling due after more than one year	<u>8</u>	(998,202)	(1,035,877)
Provisions for liabilities		<u>(28,482)</u>	<u>(24,160)</u>
Net assets		<u>1,703,672</u>	<u>1,546,879</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>1,703,572</u>	<u>1,546,779</u>
Total equity		<u>1,703,672</u>	<u>1,546,879</u>

For the financial year ending 30 November 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 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 29 August 2018 and signed on its behalf by:

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Mr J K Long

Director

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

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Notes to the Financial Statements for the Year Ended 30 November 2017

1 General information

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

The address of its registered office is:

54A Balena Close

Creekmoor

Poole

Dorset

BH17 7DY

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 represents amounts chargeable, net of value added tax, in respect of sales of goods and services to customers.

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 income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income 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.

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Notes to the Financial Statements for the Year Ended 30 November 2017

2 Accounting policies (continued)

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
Freehold property	not depreciated (see below)
Short leasehold property	in accordance with the lease
Plant and machinery	10% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	20% reducing balance
Computer equipment	25% reducing balance

Freehold buildings have not been depreciated during the year. The directors are of the opinion that as the buildings have been continuously repaired and maintained their residual value is not less than their carrying value.

Investment property

Investment property is measured at fair value unless the value cannot be measured reliably, in which case they are measured at cost less any accumulated impairment losses. Changes in fair value are included in the profit and loss account.

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	5 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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Notes to the Financial Statements for the Year Ended 30 November 2017

2 Accounting policies (continued)

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.

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.

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.

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.

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Notes to the Financial Statements for the Year Ended 30 November 2017

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 57 (2016 - 65).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 December 2016	262,000	262,000
Disposals	<u>(262,000)</u>	<u>(262,000)</u>
At 30 November 2017	<u>-</u>	<u>-</u>
Amortisation		
At 1 December 2016	262,000	262,000
Amortisation eliminated on disposals	<u>(262,000)</u>	<u>(262,000)</u>
At 30 November 2017	<u>-</u>	<u>-</u>
Carrying amount		
At 30 November 2017	<u><u>-</u></u>	<u><u>-</u></u>

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Notes to the Financial Statements for the Year Ended 30 November 2017

5 Tangible assets

	Land and buildings and Investment property £	Fixtures, fittings and computer equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation					
At 1 December 2016	2,149,319	654,367	59,995	25,539	2,889,220
Additions	12,990	208	52,135	-	65,333
Disposals	-	-	(42,000)	(20,000)	(62,000)
At 30 November 2017	2,162,309	654,575	70,130	5,539	2,892,553
Depreciation					
At 1 December 2016	291,410	562,401	14,999	10,211	879,021
Charge for the year	21,416	18,535	16,408	286	56,645
Eliminated on disposal	-	-	(10,500)	(7,534)	(18,034)
At 30 November 2017	312,826	580,936	20,907	2,963	917,632
Carrying amount					
At 30 November 2017	1,849,483	73,639	49,223	2,576	1,974,921
At 30 November 2016	1,857,909	91,966	44,996	15,328	2,010,199

Included within the net book value of land and buildings above is £1,554,427 (2016 - £1,541,436) in respect of freehold land and buildings, £Nil (2016 - £Nil) in respect of long leasehold land and buildings and £295,056 (2016 - £316,474) in respect of short leasehold land and buildings.

6 Stocks

	2017 £	2016 £
Work in progress	146,044	141,414
Stock	12,950	14,984
	158,994	156,398

7 Debtors

	2017	2016
	£	£
Other debtors	937,281	655,500
	937,281	655,500

Details of non-current trade and other debtors

£30,000 (2016 -£30,000) of Other debtors is classified as non current.

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Notes to the Financial Statements for the Year Ended 30 November 2017

8 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	9	79,708	66,729
Trade creditors		45,295	37,915
Taxation		47,671	91,177
Other tax and social security		119,227	131,781
Other creditors		150,223	90,293
		<u>442,124</u>	<u>417,895</u>
Due after one year			
Loans and borrowings	9	<u>998,202</u>	<u>1,035,877</u>

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	965,324	1,035,877
Finance lease liabilities	32,878	-
	<u>998,202</u>	<u>1,035,877</u>

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	70,756	66,729
Finance lease liabilities	8,952	-
	<u>79,708</u>	<u>66,729</u>

Security

The company has provided legal charges to lenders which are secured on the relevant freehold properties.

10 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £203,766 (2016 - £455,893). This includes annual rental and leasing commitments of £82,266 (2016 - £92,500)

