

Atex Factors Limited

Registered number: 1258655
A Company registered in England & Wales

Directors' report and unaudited financial statements

For the year ended 31 December 2015

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ATEX FACTORS LIMITED

COMPANY INFORMATION

Directors	N D Hammond S J Hammond
Company secretary	S J Hammond
Registered number	1258655
Registered office	Canal Street Brierley Hill West Midlands DY5 1JR
Bankers	National Westminster Bank Plc 53 Market Street Kingswinford West Midlands DY6 9LD

ATEX FACTORS LIMITED

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ATEX FACTORS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Principal activity

The principal activity of the Company continues to be the factoring of goods to the automotive, industrial and allied trades.

Results and dividends

The profit for the year, after taxation, amounted to £56,679 (2014 - £59,742).

Directors

The directors who served during the year were:

N D Hammond

S J Hammond

Future developments

The Directors do not expect any change in the principal activity during the next financial year.

DIRECTORS' INDEMNITY

The Director's of the company had indemnity insurance during the period in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as Directors and Officers of the company.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

SMALL COMPANY PROVISIONS

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption provided by section 408 and section 414B (b) of the Companies Act 2006.

This report was approved by the board on *8 September 2016* and signed on its behalf.



S J Hammond
Director

ATEX FACTORS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 Section 1A - small entities, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ATEX FACTORS LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF ATEX FACTORS LIMITED FOR THE YEAR ENDED 31 DECEMBER 2015

In accordance with our engagement letter and in order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of the Company for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes from the Company's accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

Respective responsibilities of directors and accountants

You have acknowledged on the balance sheet for the year ended 31 December 2015 your duty to ensure that the Company has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the Company's assets, liabilities, financial position and profit. You consider that the Company is exempt from the statutory audit requirement for the year.

This report is made to the Board of Directors of Atex Factors Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of the Company and state those matters that we have agreed to state to the Board of Directors, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept nor assume responsibility to anyone other than the Company and its Board of Directors, as a body, for our work or for this report.

We have not been instructed to carry out an audit or review of the financial statements of Atex Factors Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Mazars LLP

Mazars LLP

Chartered Accountants

45 Church Street
Birmingham
B3 2RT

Date: *12 September 2016*

ATEX FACTORS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 £	2014 £
Continuing Operations			
Turnover		373,843	396,693
Cost of sales		(222,941)	(236,756)
Gross profit		150,902	159,937
Distribution costs		(50,708)	(54,335)
Administrative expenses		(32,842)	(32,119)
Operating profit		67,352	73,483
Interest receivable and similar income	4	3,292	1,194
Profit before tax		70,644	74,677
Tax on profit	5	(13,965)	(14,935)
Profit for the year		56,679	59,742
Other comprehensive income for the year			
Total comprehensive income for the year		56,679	59,742

The notes on pages 9 to 19 form part of these financial statements.

ATEX FACTORS LIMITED

Registered number: 1258655

BALANCE SHEET**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	6	11,984	15,680
		<u>11,984</u>	<u>15,680</u>
Current assets			
Stocks	7	45,765	48,437
Debtors: amounts falling due within one year	8	626,939	638,662
Cash at bank and in hand	9	342,874	264,872
		<u>1,015,578</u>	<u>951,971</u>
Creditors: amounts falling due within one year	10	(247,615)	(243,643)
Net current assets		<u>767,963</u>	<u>708,328</u>
Total assets less current liabilities		<u>779,947</u>	<u>724,008</u>
Provisions for liabilities			
Deferred tax	12	(1,482)	(2,222)
		<u>(1,482)</u>	<u>(2,222)</u>
Net assets		<u><u>778,465</u></u>	<u><u>721,786</u></u>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss account		<u>778,365</u>	<u>721,686</u>
		<u><u>778,465</u></u>	<u><u>721,786</u></u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the Company as at 31 December 2015 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

ATEX FACTORS LIMITED

Registered number: 1258655

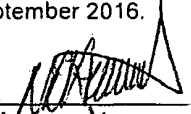
BALANCE SHEET (continued)

AS AT 31 DECEMBER 2015

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

For the financial year in question the Company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 September 2016.



N D Hammond
Director

The notes on pages 9 to 19 form part of these financial statements.

ATEX FACTORS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	100	721,686	721,786
Comprehensive income for the year			
Profit for the year	-	56,679	56,679
	<hr/>	<hr/>	<hr/>
Actuarial gains on pension scheme	-	-	-
	<hr/>	<hr/>	<hr/>
Other comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	56,679	56,679
	<hr/>	<hr/>	<hr/>
Total transactions with owners	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2015	100	778,365	778,465
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ATEX FACTORS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	100	661,944	662,044
Comprehensive income for the year			
Profit for the year	-	59,742	59,742
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	59,742	59,742
Total transactions with owners	-	-	-
At 31 December 2014	100	721,686	721,786

The notes on pages 9 to 19 form part of these financial statements.

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. Transition to Section 1A of Financial Reporting Standard 102 was 1 January 2014.

The following principal accounting policies have been applied:

1.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Tangible fixed assets

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant & machinery	- 15% reducing balance
Motor vehicles	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.7. Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.9 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

1.10 Provisions for Liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (continued)

1.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Turnover

The Company's turnover for both the year ended 31st December 2015 and 31st December 2014 was entirely attributable to the United Kingdom.

3. Operating profit

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	3,697	4,466

During the year, no director received any emoluments (2014 - £NIL).

4. Interest receivable

	2015 £	2014 £
Other interest receivable	3,292	1,194
	<u>3,292</u>	<u>1,194</u>

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

5. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	14,705	15,681
	<u>14,705</u>	<u>15,681</u>
Total current tax	<u>14,705</u>	<u>15,681</u>
Deferred tax		
Origination and reversal of timing differences	(518)	(746)
Effect of tax rate change on opening balance	(222)	-
Total deferred tax	<u>(740)</u>	<u>(746)</u>
Taxation on profit on ordinary activities	<u>13,965</u>	<u>14,935</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2014 - higher than) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>70,644</u>	<u>74,677</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	14,129	14,935
Effects of:		
Other timing differences leading to an increase (decrease) in taxation	(164)	-
Total tax charge for the year	<u>13,965</u>	<u>14,935</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

6. Tangible fixed assets

	Plant & machinery £	Equipment and vehicles £	Total £
Cost or valuation			
At 1 January 2015	13,860	29,281	43,141
At 31 December 2015	13,860	29,281	43,141
Depreciation			
At 1 January 2015	11,253	16,208	27,461
Charge owned for the period	391	3,306	3,697
At 31 December 2015	11,644	19,514	31,158
At 31 December 2015	2,216	9,767	11,983
At 31 December 2014	2,607	13,073	15,680

7. Stocks

	2015 £	2014 £
Finished goods and goods for resale	45,765	48,437
	45,765	48,437

Stock recognised in cost of sales during the year as an expense was £220,269 (2014: £243,771).

8. Debtors

	2015 £	2014 £
Trade debtors	49,402	62,966
Amounts owed by group undertakings	577,537	575,696
	626,939	638,662

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

9. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	342,874	264,872
	<u>342,874</u>	<u>264,872</u>

10. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	11,464	7,112
Amounts owed to group undertakings	210,392	207,503
Corporation tax	14,705	15,681
Taxation and social security	5,970	8,097
Accruals	5,084	5,250
	<u>247,615</u>	<u>243,643</u>

11. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	626,939	638,660
	<u>626,939</u>	<u>638,660</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(226,940)	(219,865)
	<u>(226,940)</u>	<u>(219,865)</u>

Financial assets measured at amortised cost comprise of trade debtors and amounts owed by group undertakings.

Financial Liabilities measured at amortised cost comprise of trade creditors, amounts owed to group undertakings and accruals.

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

12. Deferred taxation

	Deferred tax £
At 1 January 2015	(2,222)
Charged to the profit or loss	740
At 31 December 2015	(1,482)

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	(1,482)	(2,222)
	<u>(1,482)</u>	<u>(2,222)</u>

13. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
100 Ordinary shares shares of £1 each	100	100

14. Related party transactions

The company trades with other companies beneficially owned by the directors, on similar terms to those available to other customers. In addition, management charges are payable in respect of services provided, at normal commercial rates.

The value of service charges from Atex Products Limited during the year amounted to £5,000 (2014: £5,000). The balance due from Atex Products Limited at 31 December 2015 was £577,537 (2014: £575,696).

The value of purchases from Hammond Chemicals Limited during the year amounted to £84,052 (2014: £97,281). The value of sales to Hammond Chemicals Limited during the year amounted to £50 (2014: £362). The value of service charges to Hammond Chemicals Limited during the year amounted to £44,753 (2014: £46,649).

The balance due to Hammond Chemicals Limited at 31 December 2015 was £210,392 (2014: £207,503).

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

15. Controlling party

The controlling parties are considered to be S J Hammond and N D Hammond due to their equal interest in the equity share capital of the company.

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

16. First time adoption of FRS 102

	Note	As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 102 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Fixed assets		18,838	-	18,838	15,679	-	15,679
Current assets		897,221	-	897,221	951,969	-	951,969
Creditors: amounts falling due within one year		(251,047)	-	(251,047)	(243,643)	-	(243,643)
Net current assets		646,174	-	646,174	708,326	-	708,326
Total assets less current liabilities		665,012	-	665,012	724,005	-	724,005
Provisions for liabilities		(2,968)	-	(2,968)	(2,222)	-	(2,222)
Net assets		662,044	-	662,044	721,783	-	721,783
Capital and reserves		662,044	-	662,044	721,783	-	721,783

ATEX FACTORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

16. First time adoption of FRS 102 (continued)

	Note	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Turnover		396,693	-	396,693
Cost of sales		(236,756)	-	(236,756)
		<hr/>		<hr/>
		159,937	-	159,937
Distribution expenses		(54,335)	-	(54,335)
Administrative expenses		(32,119)	-	(32,119)
		<hr/>		<hr/>
Operating profit		73,483	-	73,483
Interest receivable and similar income		1,194	-	1,194
Taxation		(14,935)	-	(14,935)
		<hr/>		<hr/>
Profit on ordinary activities after taxation and for the financial year		59,742	-	59,742
		<hr/>		<hr/>

Explanation of changes to previously reported profit and equity:

- 1 There are no changes to previously reported profit and equity.