

REGISTERED NUMBER: 01492318 (England and Wales)

Strategic Report, Report of the Directors and

Financial Statements

for the Year Ended 31 July 2019

for

KINCH FUEL OILS LIMITED

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FOR THE YEAR ENDED 31 JULY 2019**

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KINCH FUEL OILS LIMITED

**Company Information
FOR THE YEAR ENDED 31 JULY 2019**

DIRECTORS: R C Kinch
P M Kinch

SECRETARY: P M Kinch

REGISTERED OFFICE: Redway
Hornbury Hill
Minety
Malmesbury
Wiltshire
SN16 9QH

REGISTERED NUMBER: 01492318 (England and Wales)

AUDITORS: Haines Watts Accountants (Bristol) Limited
Bath House
6-8 Bath Street
Bristol
BS1 6HL

**Strategic Report
FOR THE YEAR ENDED 31 JULY 2019**

The directors present their strategic report for the year ended 31 July 2019.

REVIEW OF BUSINESS

The company's range of products includes the wholesale supply of gas oil, burning oil and ULSD, with 74% of this year's turnover arising from burning oil sales. Year on year the volumes sold of each product are similar, however turnover will be dependent on weather patterns and the changing price of oil.

The company had a profitable year, with turnover remaining consistent with the previous year. This was predominantly due to an increase in sales prices as the total volume in litres of products sold in the year has decreased by 6.2% on the previous year.

The average price incurred by the company on burning oil purchases in 2019 was 54.9 pence per litre (2018: 40.2 pence per litre).

The company's gross profit decreased by 3.4% on the previous year to £2,752k (2018: £2,848k). Profit before taxation decreased by 11.5% to £1,656k (2018: £1,871k).

PRINCIPAL RISKS AND UNCERTAINTIES

At the year end the company had a strong balance sheet with significant cash deposits at its disposal. The fuel industry is set to decline over the long term as customers switch to more environmentally friendly heating solutions, however, demand currently remains high and future profitability is expected. The company is in a good position to deal with any short term adverse trading results, should they arise.

The company deals with its principal risk of fluctuating fuel prices by actively managing its sales prices on a daily basis.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the entity.

ON BEHALF OF THE BOARD:

P M Kinch - Secretary

21 January 2020

**Report of the Directors
FOR THE YEAR ENDED 31 JULY 2019**

The directors present their report with the financial statements of the company for the year ended 31 July 2019.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a wholesale liquid fuel supplier to domestic and commercial markets.

DIVIDENDS

An interim dividend of 3.18 per share was paid on 5 April 2019. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 July 2019 will be £ 159,000 .

FUTURE DEVELOPMENTS

There have been no major events since the balance sheet date that will affect the future performance of the company. The company hopes to increase sales and improve gross profit to maintain profitability. This will largely be dependent on future fuel prices and climate over the forthcoming periods. The company does not undertake any research or development activities.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2018 to the date of this report.

R C Kinch

P M Kinch

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Report of the Directors
FOR THE YEAR ENDED 31 JULY 2019**

AUDITORS

The auditors, Haines Watts Accountants (Bristol) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P M Kinch - Secretary

21 January 2020

Opinion

We have audited the financial statements of Kinch Fuel Oils Limited (the 'company') for the year ended 31 July 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Bracher FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts Accountants (Bristol) Limited
Bath House
6-8 Bath Street
Bristol
BS1 6HL

21 January 2020

Statement of Comprehensive Income
FOR THE YEAR ENDED 31 JULY 2019

	Notes	2019 £	2018 £
TURNOVER	4	14,992,250	14,888,073
Cost of sales		<u>(12,240,125)</u>	<u>(12,040,288)</u>
GROSS PROFIT		2,752,125	2,847,785
Distribution costs		<u>(697,770)</u>	<u>(568,687)</u>
Administrative expenses		<u>(460,316)</u>	<u>(444,190)</u>
OPERATING PROFIT	7	1,594,039	1,834,908
Interest receivable and similar income		<u>62,289</u>	<u>36,019</u>
PROFIT BEFORE TAXATION		1,656,328	1,870,927
Tax on profit	8	<u>(327,265)</u>	<u>(354,010)</u>
PROFIT FOR THE FINANCIAL YEAR		1,329,063	1,516,917
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
FOR THE YEAR		<u>1,329,063</u>	<u>1,516,917</u>

The notes form part of these financial statements

KINCH FUEL OILS LIMITED (REGISTERED NUMBER: 01492318)**Balance Sheet
31 JULY 2019**

		2019		2018	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10		962,130		783,285
Investments	11		900,000		800,000
			1,862,130		1,583,285
CURRENT ASSETS					
Stocks	12	491,161		481,275	
Debtors	13	677,805		769,872	
Cash at bank		10,860,265		10,442,022	
		12,029,231		11,693,169	
CREDITORS					
Amounts falling due within one year	14	1,267,679		1,874,706	
NET CURRENT ASSETS			10,761,552		9,818,463
TOTAL ASSETS LESS CURRENT LIABILITIES			12,623,682		11,401,748
PROVISIONS FOR LIABILITIES	15		139,955		88,084
NET ASSETS			12,483,727		11,313,664
CAPITAL AND RESERVES					
Called up share capital	16		50,000		50,000
Retained earnings			12,433,727		11,263,664
SHAREHOLDERS' FUNDS			12,483,727		11,313,664

The financial statements were approved and authorised for issue by the Board of Directors on 21 January 2020 and were signed on its behalf by:

R C Kinch - Director

P M Kinch - Director

The notes form part of these financial statements

Statement of Changes in Equity
FOR THE YEAR ENDED 31 JULY 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 August 2017	50,000	9,908,747	9,958,747
Changes in equity			
Total comprehensive income	-	1,516,917	1,516,917
Dividends	-	(162,000)	(162,000)
Balance at 31 July 2018	<u>50,000</u>	<u>11,263,664</u>	<u>11,313,664</u>
Changes in equity			
Total comprehensive income	-	1,329,063	1,329,063
Dividends	-	(159,000)	(159,000)
Balance at 31 July 2019	<u>50,000</u>	<u>12,433,727</u>	<u>12,483,727</u>

Cash Flow Statement
FOR THE YEAR ENDED 31 JULY 2019

		2019	2018
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	1,571,334	1,972,444
Tax paid		(351,076)	(256,249)
Net cash from operating activities		<u>1,220,258</u>	<u>1,716,195</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(414,492)	(196,240)
Purchase of fixed asset investments		(200,000)	(600,000)
Sale of tangible fixed assets		-	30,000
Maturity of fixed asset investments		111,065	333,001
Interest received		62,289	36,019
Net cash from investing activities		<u>(441,138)</u>	<u>(397,220)</u>
Cash flows from financing activities			
Amount withdrawn by directors		(360,877)	(29,898)
Net cash from financing activities		<u>(360,877)</u>	<u>(29,898)</u>
Increase in cash and cash equivalents		<u>418,243</u>	<u>1,289,077</u>
Cash and cash equivalents at beginning of year	2	10,442,022	9,152,945
Cash and cash equivalents at end of year	2	<u>10,860,265</u>	<u>10,442,022</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
FOR THE YEAR ENDED 31 JULY 2019

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2019	2018
	£	£
Profit before taxation	1,656,328	1,870,927
Depreciation charges	235,639	149,997
Profit on disposal of fixed assets	(11,055)	(42,074)
Finance income	(62,289)	(36,019)
	<u>1,818,623</u>	<u>1,942,831</u>
Increase in stocks	(9,886)	(169,858)
Decrease/(increase) in trade and other debtors	92,068	(77,449)
(Decrease)/increase in trade and other creditors	(329,471)	276,920
Cash generated from operations	<u>1,571,334</u>	<u>1,972,444</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 July 2019

	31.7.19	1.8.18
	£	£
Cash and cash equivalents	<u>10,860,265</u>	<u>10,442,022</u>

Year ended 31 July 2018

	31.7.18	1.8.17
	£	£
Cash and cash equivalents	<u>10,442,022</u>	<u>9,152,945</u>

**Notes to the Financial Statements
FOR THE YEAR ENDED 31 JULY 2019**

1. COMPANY INFORMATION

Kinch Fuel Oils Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

Kinch Fuel Oils Limited is a limited company incorporated in the United Kingdom. The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax. Revenue is recognised once goods have been delivered to customers.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Buildings - Straight line over 50 years
Fixtures and fittings - 15% on reducing balance
Motor vehicles - 25% on reducing balance
Computer Equipment - 33% on cost

Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

2. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets, which include trade and other debtors, amounts due from group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities, including trade and other creditors and amounts due to group undertakings are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through profit and loss if the shares are publicly traded or their fair value can otherwise be measured reliably, unless the difference between cost and fair value is not material.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Impairment of debtors

On a periodic basis management makes an estimation of the recoverability of debtors. Management makes such estimations based on the credit rating of debtors, the ageing profile, and historical experience.

Tangible fixed assets

Tangible fixed assets are depreciated over their estimated useful lives. The actual lives of the assets are assessed annually by the directors and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2019	2018
	£	£
Sale of goods	14,992,250	14,888,073
	14,992,250	14,888,073

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

5. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	484,895	473,927
Social security costs	43,423	40,950
Other pension costs	27,120	30,734
	<u>555,438</u>	<u>545,611</u>

The average number of employees during the year was as follows:

	2019	2018
Administration (inc. directors)	7	7
Drivers	10	10
Sales	1	1
	<u>18</u>	<u>18</u>

The aggregate remuneration split between the employee categories is:

	Salaries	Social Security	Pensions
£	£	£	
Administration (inc directors)	172,117	16,085	21,422
Drivers	308,902	27,220	5,698
Sales	3,876	117	-
	<u>484,895</u>	<u>43,422</u>	<u>27,120</u>

6. DIRECTORS' EMOLUMENTS

	2019	2018
	£	£
Directors' remuneration	<u>15,548</u>	<u>16,496</u>

7. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	235,638	149,997
Profit on disposal of fixed assets	(11,055)	(42,074)
Auditors' remuneration	8,000	8,000
Auditors' remuneration for non audit work	<u>6,800</u>	<u>6,000</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

8. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2019 £	2018 £
Current tax:		
UK corporation tax	275,394	350,333
Deferred tax	51,871	3,677
Tax on profit	<u>327,265</u>	<u>354,010</u>

UK corporation tax has been charged at 19% .

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	<u>1,656,328</u>	<u>1,870,927</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	314,702	355,476
Effects of:		
Capital allowances in excess of depreciation	(38,818)	-
Depreciation in excess of capital allowances	-	744
Expenses disallowed for taxation purposes	40	73
Gains on sale / maturity of investments	1,570	2,034
Profit on disposal of fixed assets	(2,100)	(7,994)
Deferred tax	51,871	3,677
Total tax charge	<u>327,265</u>	<u>354,010</u>

Movements on deferred tax arise from the origination and reversal of tax timing differences.

9. DIVIDENDS

	2019 £	2018 £
Ordinary shares of £1 each		
Interim	<u>159,000</u>	<u>162,000</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

10. TANGIBLE FIXED ASSETS

	Buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 August 2018	246,430	576,855	1,645,767	47,250	2,516,302
Additions	-	11,859	374,117	28,516	414,492
Disposals	-	(650)	-	-	(650)
At 31 July 2019	<u>246,430</u>	<u>588,064</u>	<u>2,019,884</u>	<u>75,766</u>	<u>2,930,144</u>
DEPRECIATION					
At 1 August 2018	94,472	488,277	1,115,057	35,211	1,733,017
Charge for year	4,928	15,065	199,587	16,058	235,638
Eliminated on disposal	-	(641)	-	-	(641)
At 31 July 2019	<u>99,400</u>	<u>502,701</u>	<u>1,314,644</u>	<u>51,269</u>	<u>1,968,014</u>
NET BOOK VALUE					
At 31 July 2019	<u>147,030</u>	<u>85,363</u>	<u>705,240</u>	<u>24,497</u>	<u>962,130</u>
At 31 July 2018	<u>151,958</u>	<u>88,578</u>	<u>530,710</u>	<u>12,039</u>	<u>783,285</u>

The company trades from land owned by the directors. No rent is charged to the company. The company owns and maintains the buildings from which it operates.

11. FIXED ASSET INVESTMENTS

	Listed investments £
COST	
At 1 August 2018	800,000
Additions	200,000
Disposals	(100,000)
At 31 July 2019	<u>900,000</u>
NET BOOK VALUE	
At 31 July 2019	<u>900,000</u>
At 31 July 2018	<u>800,000</u>

12. STOCKS

	2019 £	2018 £
Goods for resale	<u>491,161</u>	<u>481,275</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	570,926	664,023
Other debtors	17,900	2,000
VAT	72,918	88,079
Prepayments	16,061	15,770
	<u>677,805</u>	<u>769,872</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	643,900	847,269
Corporation tax	275,737	350,705
Social security and other taxes	9,755	9,886
Payments on account	190,495	311,377
Directors' current accounts	132,592	334,469
Accrued expenses	15,200	21,000
	<u>1,267,679</u>	<u>1,874,706</u>

15. PROVISIONS FOR LIABILITIES

	2019	2018
	£	£
Deferred tax	<u>139,955</u>	<u>88,084</u>
		Deferred tax
		£
Balance at 1 August 2018		88,084
Movement in year		<u>51,871</u>
Balance at 31 July 2019		<u>139,955</u>

The deferred tax provision relates to accelerated capital allowances.

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2019	2018
Number:	Class:		£	£
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 JULY 2019

17. PENSION COMMITMENTS

The company makes contributions to a number of employees' defined contribution pension schemes. The assets of these schemes are held in independently administered funds. During the year the company made contributions of £27,120 (2018: £30,734). There were no outstanding or prepaid pension contributions at the balance sheet date.

18. RELATED PARTY DISCLOSURES**Entities with control, joint control or significant influence over the entity**

	2019	2018
	£	£
Sales	1,160	1,160
Remuneration	15,548	16,496
Dividends	159,000	162,000
Amount due from related party	-	177
Amount due to related parties	<u>132,592</u>	<u>334,469</u>

The company trades from land which is owned by the directors. No rent is charged to the company for the use of this land.

Other related parties - children of the directors who control the company

	2019	2018
	£	£
Sales	1,350	2,871
Remuneration	95,200	106,216
Amount due from related party	<u>509</u>	<u>792</u>

During the year, a total of key management personnel remuneration of £64,048 (2018: £77,829) was paid.

19. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are Mr R C Kinch & Mrs P M Kinch.

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