

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
FOR
KEYLINK LIMITED

Mehta & Tengra
Chartered Accountants
Statutory Auditors
24 Bedford Row
London
WC1R 4TQ

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FOR THE YEAR ENDED 30 JUNE 2021**

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KEYLINK LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2021**

DIRECTORS:	S P Ramchandani Mrs S Ramchandani
SECRETARY:	S P Ramchandani
REGISTERED OFFICE:	Unit 1A, 31 East Industrial Estate Kingfisher Way Dinnington Sheffield S25 3AF
REGISTERED NUMBER:	02588155 (England and Wales)
SENIOR STATUTORY AUDITOR:	P Tengra
AUDITORS:	Mehta & Tengra Chartered Accountants Statutory Auditors 24 Bedford Row London WC1R 4TQ
BANKERS:	HSBC Bank Plc 35 College Street Rotherham South Yorkshire S65 1AF

ABRIDGED BALANCE SHEET
30 JUNE 2021

		2021	2020
	Notes	£	£
FIXED ASSETS			
Tangible assets	4	694,109	598,995
CURRENT ASSETS			
Stocks		835,739	726,741
Debtors		692,459	407,751
Cash at bank and in hand		365,798	573,671
		<u>1,893,996</u>	<u>1,708,163</u>
CREDITORS			
Amounts falling due within one year		<u>(1,231,968)</u>	<u>(884,752)</u>
NET CURRENT ASSETS		<u>662,028</u>	<u>823,411</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,356,137	1,422,406
CREDITORS			
Amounts falling due after more than one year	5	(137,909)	(369,890)
PROVISIONS FOR LIABILITIES	8	<u>(35,130)</u>	<u>(15,892)</u>
NET ASSETS		<u>1,183,098</u>	<u>1,036,624</u>
CAPITAL AND RESERVES			
Called up share capital	9	1,000	1,000
Retained earnings	10	<u>1,182,098</u>	<u>1,035,624</u>
SHAREHOLDERS' FUNDS	16	<u>1,183,098</u>	<u>1,036,624</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

All the members have consented to the preparation of an abridged Income Statement and an abridged Balance Sheet for the year ended 30 June 2021 in accordance with Section 444(2A) of the Companies Act 2006.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 23 March 2022 and were signed on its behalf by:

S P Ramchandani - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

1. STATUTORY INFORMATION

Keylink 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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of more important policies which have been applied consistently is set out below:

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Short leasehold	- Straight line over 10 years
Improvements to property	- 2% on cost
Plant and machinery	- 10% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 15% on reducing balance
Computer equipment	- 25% on reducing balance

The short leasehold was entered into on 18th May 2021.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those asset have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

Stocks represent confectionery, confectionery ingredients, packaging, equipment and other related products.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from an associate have been recognised, and will be assessed for tax in a future period, except where:

- it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated 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.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax asset and deferred tax liabilities are offset only if:

- the company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax asset and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously

Taxation

Taxation for the year comprises current and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Foreign currencies

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of the historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Long term monetary items are translated at the year end rate.

The assets and liabilities of foreign operations arising on consolidation are translated at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution scheme for its staff under "auto enrolment". Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

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

Trade and other debtors

Trade debtors are amounts due from customers for goods and services provided in the ordinary course of business. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoice price, less any allowances for doubtful debts.

Trade and other creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as creditors falling due after one year.

Trade creditors are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligations within three years of the event and a reliable estimate can be made.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 45 (2020 - 35) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021

4. TANGIBLE FIXED ASSETS

	Totals £
COST	
At 1 July 2020	1,096,842
Additions	210,311
Disposals	(279,549)
At 30 June 2021	<u>1,027,604</u>
DEPRECIATION	
At 1 July 2020	497,847
Charge for year	46,773
Eliminated on disposal	(211,125)
At 30 June 2021	<u>333,495</u>
NET BOOK VALUE	
At 30 June 2021	<u>694,109</u>
At 30 June 2020	<u>598,995</u>

5. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN FIVE YEARS

	2021 £	2020 £
Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>24,865</u>

6. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year or on demand:		
Bank loans	<u>37,662</u>	<u>41,464</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>37,662</u>	<u>87,298</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>100,247</u>	<u>257,727</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>24,865</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 20216. **LOANS - continued**

The bank loan bears interest at 2% per annum over the Bank of England base rate and is repayable by monthly repayments.

7. **SECURED DEBTS**

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	<u>175,571</u>	<u>411,354</u>

The company's bankers have agreed class guarantee facility of £120,000.
Guarantee dated 30 June 2004 is favour of HM Revenue and Customs for £100,000.
Guarantee dated 21 July 2005 in favour of HM Revenue and Customs for £20,000.

8. **PROVISIONS FOR LIABILITIES**

	2021	2020
	£	£
Deferred tax		
Excess of capital allowances over depreciation	<u>35,130</u>	<u>15,892</u>

	Deferred tax
	£
Balance at 1 July 2020	15,892
Provided during the year	<u>19,238</u>
Balance at 30 June 2021	<u>35,130</u>

9. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

10. **RESERVES**

	Retained earnings
	£
At 1 July 2020	1,035,624
Profit for the year	746,474
Dividends	<u>(600,000)</u>
At 30 June 2021	<u>1,182,098</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

P Tengra (Senior Statutory Auditor)
for and on behalf of Mehta & Tengra

12. PENSION COMMITMENTS

The company operates a defined contribution scheme for its staff under "auto enrolment". Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The company also operated a defined contribution scheme for its staff under "stakeholder". Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The company's pension cost for the year was £45,634 (2020:£23,497). The unpaid contributions outstanding at the balance sheet date was £5,661 (2020:£12,786).

13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 June 2021 and 30 June 2020:

	2021	2020
	£	£
S P Ramchandani		
Balance outstanding at start of year	(41,804)	(47)
Amounts advanced	-	58,243
Amounts repaid	(58,504)	(100,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(100,308)</u>	<u>(41,804)</u>

14. RELATED PARTY DISCLOSURES

Mr S P Ramchandani and Mrs S Ramchandani are directors of another trading company.

Trade debtors includes debtors of £27,276 (2020:£27,289) due from that company at 30th June 2021.

During the year Keylink limited purchased from and sold goods to that company in the sum of £1,064 (2020:£3,015) and £1,032 (2020:£2,012) respectively.

At the balance sheet the amount due to Keylink Ltd from that company was £95,238 (2020:£130,238)

Keylink limited has given an unlimited multilateral guarantee dated 01 April 2011 to that company's bankers.

Dividend paid to the shareholder during the year was £600,000 (2020:£500,000)

15. ULTIMATE CONTROLLING PARTY

The controlling party is S P Ramchandani.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2021	2020
	£	£
Profit for the financial year	746,474	457,991
Dividends	(600,000)	(500,000)
Net addition/(reduction) to shareholders' funds	146,474	(42,009)
Opening shareholders' funds	1,036,624	1,078,633
Closing shareholders' funds	1,183,098	1,036,624

17. COVID-19

Covid 19 is an ongoing situation and the future still remains unpredictable despite the success of the vaccination drive by the government.

The Company 's priority is the health and safety of its employees and trade partners. The Company continues to adhere to and follow Government advice.

18. GOING CONCERN

Given that the current situation is evolving and that the company has managed to trade profitably during the dark days of the pandemic, the Board considers it to be appropriate to adopt the going concern basis in preparing these financial statements. It should nonetheless be stated that the future remains strong inspite of COVID19 and Brexit implications.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.