

Company Registration No. 03150096 (England and Wales)

HUNTER STOVES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR

HUNTER STOVES LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 10

HUNTER STOVES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	3	124,858		138,894	
Tangible assets	4	1,822,196		1,847,358	
Investments	5	75,000		75,000	
			2,022,054		2,061,252
Current assets					
Stocks		2,508,960		2,052,010	
Debtors	6	1,248,799		1,484,070	
Cash at bank and in hand		114,235		110,533	
			3,871,994		3,646,613
Creditors: amounts falling due within one year	7	(2,356,260)		(2,331,272)	
Net current assets			1,515,734		1,315,341
Total assets less current liabilities			3,537,788		3,376,593
Creditors: amounts falling due after more than one year	8	(557,424)		(773,868)	
Provisions for liabilities	9	(75,709)		(64,793)	
Net assets			2,904,655		2,537,932
Capital and reserves					
Called up share capital	10	17,100		17,100	
Share premium account		48,000		48,000	
Profit and loss reserves		2,839,555		2,472,832	
Total equity			2,904,655		2,537,932

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

HUNTER STOVES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2018

The financial statements were approved by the board of directors and authorised for issue on 13 May 2019 and are signed on its behalf by:

Mr S P Clatworthy
Director

Mr P J Grimes
Director

Company Registration No. 03150096

HUNTER STOVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Hunter Stoves Limited is a private company limited by shares incorporated in England and Wales. The registered office is Trevilla Park, Slaughterbridge, Camelford, Cornwall, PL32 9TT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Research and development expenditure

Research and development expenditure is written off against profits in the year in which it is incurred.

1.4 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	Land: 0% per annum Freehold buildings: 2% per annum on cost
Land and buildings Leasehold	Straight line over the term of the lease
Plant and machinery	15% per annum on written down value
Fixtures, fittings & equipment	Computers: 25% per annum on cost Other: 25% per annum on written down value
Motor vehicles	25% per annum on cost

HUNTER STOVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

HUNTER STOVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

1.11 Retirement benefits

The Company operates a defined contribution scheme for the benefit of its directors and employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 48 (2017 - 48).

HUNTER STOVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

3 Intangible fixed assets

	Goodwill £	Other £	Total £
Cost			
At 1 January 2018 and 31 December 2018	246,851	241	247,092
Amortisation and impairment			
At 1 January 2018	108,126	72	108,198
Amortisation charged for the year	14,012	24	14,036
At 31 December 2018	122,138	96	122,234
Carrying amount			
At 31 December 2018	124,713	145	124,858
At 31 December 2017	138,725	169	138,894

4 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 January 2018	768,450	2,375,061	3,143,511
Additions	-	225,623	225,623
Disposals	-	(20,023)	(20,023)
At 31 December 2018	768,450	2,580,661	3,349,111
Depreciation and impairment			
At 1 January 2018	51,482	1,244,671	1,296,153
Depreciation charged in the year	26,519	215,036	241,555
Eliminated in respect of disposals	-	(10,793)	(10,793)
At 31 December 2018	78,001	1,448,914	1,526,915
Carrying amount			
At 31 December 2018	690,449	1,131,747	1,822,196
At 31 December 2017	716,968	1,130,390	1,847,358

HUNTER STOVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

5 Fixed asset investments

	2018 £	2017 £
Investment in subsidiary undertakings	75,000	75,000

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018 & 31 December 2018	75,000
Carrying amount	
At 31 December 2018	75,000
At 31 December 2017	75,000

6 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	1,076,077	1,201,495
Other debtors	172,722	282,575
	1,248,799	1,484,070

HUNTER STOVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

7 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	259,706	78,429
Trade creditors	432,628	227,592
Amounts owed to group undertakings	75,000	75,000
Taxation and social security	193,871	263,373
Other creditors	1,395,055	1,686,878
	<u>2,356,260</u>	<u>2,331,272</u>

Included within other creditors is an amount of £601,120 (2017: 1,007,147) which relates to an advance from the company's factor account. This amount is secured by a fixed charge over book debts. Included within other creditors are balances totalling £168,331 (2017: £163,937) relating to amounts owed under hire purchase contracts. Net obligations under finance lease and hire purchase contracts are secured on the assets concerned.

The bank loans and overdraft are secured by a charge over freehold property, a debenture and by guarantees given by the company's director/shareholders.

8 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	368,569	447,697
Other creditors	188,855	326,171
	<u>557,424</u>	<u>773,868</u>

Amounts included above which fall due after five years are as follows:

Payable by instalments	<u>142,987</u>	<u>170,123</u>
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The long-term loans are secured by a charge over freehold property, a debenture and by guarantees given by the company's director/shareholders.

Included within other creditors are balances totalling £72,639 (2017: £204,387) relating to amounts owed under hire purchase contracts. Net obligations under finance lease and hire purchase contracts are secured on the assets concerned

HUNTER STOVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

9 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Accelerated capital allowances	168,753	160,633
Tax losses	(93,044)	(95,840)
	<u>75,709</u>	<u>64,793</u>
		2018 £
Movements in the year:		
Liability at 1 January 2018		64,793
Charge to profit or loss		10,916
		<u>75,709</u>
Liability at 31 December 2018		<u><u>75,709</u></u>

The deferred tax liability set out above is expected to reverse within 36 months.

10 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
17,000 Ordinary shares of £1 each	17,000	17,000
100 Ordinary 'A' shares of £1 each	100	100
	<u>17,100</u>	<u>17,100</u>
	<u><u>17,100</u></u>	<u><u>17,100</u></u>

Holders of 'A' shares are not entitled to vote at any meetings of the company or to share in any surpluses arising on the winding up of the company.

HUNTER STOVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Deferred government grant income

	2018 £	2017 £
Balance at 1 January 2017	121,784	113,872
Amortisation in the year	(5,568)	(5,568)
Deferred income	-	13,480
	<u>116,216</u>	<u>121,784</u>

Deferred government grant income is included within other creditors in Creditors: amounts falling due after more than one year.

12 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2018 £	2017 £
Within one year	22,754	112,084
Between two and five years	-	22,754
	<u>22,754</u>	<u>134,838</u>

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.