

ABFAD LIMITED

**Filleted Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2023**

Abfad Limited

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Abfad Limited

Company Information

Directors	C S Haritou A Fada
Registered office	8 Teal Farm Way Teal Farm Park Washington Tyne and Wear NE38 8BG
Accountants	Azets Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

Abfad Limited

(Registration number: 03165833)

Statement of Financial Position as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>4</u>	17,652	24,445
Current assets			
Stocks	<u>5</u>	69,500	65,000
Debtors	<u>6</u>	138,721	182,156
Cash at bank and in hand		56,802	149,657
		<u>265,023</u>	<u>396,813</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(72,644)</u>	<u>(82,737)</u>
Net current assets		<u>192,379</u>	<u>314,076</u>
Total assets less current liabilities		210,031	338,521
Creditors: Amounts falling due after more than one year	<u>7</u>	(21,740)	(31,447)
Provisions for liabilities		-	(5,221)
Net assets		<u>188,291</u>	<u>301,853</u>
Capital and reserves			
Called up share capital		201	201
Share premium reserve		31,500	31,500
Profit and loss account		156,590	270,152
Total equity		<u>188,291</u>	<u>301,853</u>

For the financial year ending 31 March 2023 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 financial statements 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 financial statements.

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.

The notes on pages 4 to 9 form an integral part of these financial statements.

Abfad Limited

(Registration number: 03165833)

Statement of Financial Position as at 31 March 2023 (continued)

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Income Statement.

Approved and authorised for issue by the Board on 8 August 2023 and signed on its behalf by:

.....

C S Haritou

Director

The notes on pages 4 to 9 form an integral part of these financial statements.

Abfad Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

1 General information

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

The address of its registered office is 8 Teal Farm Way, Teal Farm Park, Washington, Tyne and Wear, NE38 8BG.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention.

These financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis. The company meets its day to day working capital requirements through cash generated from operations, shareholder funding and external borrowings. The company's forecasts and projections for the next twelve months show that the company should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. Based on the factors set out above the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Abfad Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge 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 tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

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
Plant and machinery	25% straight line and 20% reducing balance

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Abfad Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

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.

Trade 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 current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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 income statement 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.

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Abfad Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 6 (2022 - 8).

4 Tangible assets

	Plant and machinery £	Total £
Cost or valuation		
At 1 April 2022	292,763	292,763
At 31 March 2023	292,763	292,763
Depreciation		
At 1 April 2022	268,318	268,318
Charge for the year	6,793	6,793
At 31 March 2023	275,111	275,111
Carrying amount		
At 31 March 2023	17,652	17,652
At 31 March 2022	24,445	24,445

5 Stocks

	2023 £	2022 £
Consumables	69,500	65,000

Abfad Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

6 Debtors

	2023 £	2022 £
Trade debtors	51,134	138,212
Amounts owed by group undertakings	24,213	4,213
Prepayments	40,011	20,457
Other debtors	3,212	-
Corporation tax asset	20,151	19,274
	<u>138,721</u>	<u>182,156</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Due within one year			
Bank loans and overdrafts	8	10,648	10,648
Trade creditors		40,857	41,417
Taxation and social security		13,282	18,470
Accruals and deferred income		3,815	3,768
Other creditors		2,805	7,197
Directors loan accounts		1,237	1,237
		<u>72,644</u>	<u>82,737</u>

Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings	8	<u>21,740</u>	<u>31,447</u>

Abfad Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

8 Loans and borrowings

	2023 £	2022 £
Current loans and borrowings		
Bank borrowings	10,648	10,648
	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	21,740	31,447

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the statement of financial position

The total amount of financial commitments not included in the statement of financial position is £63,886 (2022 - £85,966).

10 Parent and ultimate parent undertaking

The company's immediate parent is Magnet Partnership Limited, incorporated in England and Wales.

These financial statements are available upon request from Unit 8 Teal Farm Way, Teal Farm Park, Washington, Tyne and Wear, NE38 8BG.

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.