

KGM Fire & Security Distribution Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2019

KGM Fire & Security Distribution Ltd

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KGM Fire & Security Distribution Ltd

Company Information

Directors

Mr M Wilson
Mrs K Smith
Mrs J Wilson
Mr M Smith
Mrs G Smith

Registered office

Unit 23
2M Trade Park
Beddow Way
Aylesford
Kent
ME20 7BT

KGM Fire & Security Distribution Ltd

(Registration number: 04135038)
Balance Sheet as at 31 March 2019

	Note	2019	2018
		£	£
Fixed assets			
Tangible assets	<u>4</u>	16,619	21,629
Current assets			
Stocks		157,311	110,704
Debtors	<u>5</u>	529,839	528,570
Cash at bank and in hand		<u>133,205</u>	<u>101,371</u>
		820,355	740,645
Creditors: Amounts falling due within one year	<u>6</u>	<u>(647,217)</u>	<u>(582,294)</u>
Net current assets		<u>173,138</u>	<u>158,351</u>
Total assets less current liabilities		189,757	179,980
Provisions for liabilities		<u>(3,210)</u>	<u>(4,110)</u>
Net assets		<u>186,547</u>	<u>175,870</u>
Capital and reserves			
Called up share capital		18	8
Profit and loss account		<u>186,529</u>	<u>175,862</u>
Total equity		<u>186,547</u>	<u>175,870</u>

The notes on pages 4 to 7 form an integral part of these financial statements.

KGM Fire & Security Distribution Ltd

(Registration number: 04135038)

Balance Sheet as at 31 March 2019 (continued)

For the financial year ending 31 March 2019 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 accounts 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 accounts.

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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 16 December 2019 and signed on its behalf by:

Mrs K Smith
Director

The notes on pages 4 to 7 form an integral part of these financial statements.

KGM Fire & Security Distribution Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019

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:

Unit 23
2M Trade Park
Beddow Way
Aylesford
Kent
ME20 7BT

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 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

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

The company is a distributor of fire alarm and security products. Income is recognised when goods have been sold/delivered to customers.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change 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.

KGM Fire & Security Distribution Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019 (continued)

2 Accounting policies (continued)

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
Leasehold improvements	25.00% written down value
Plant and machinery	25.00% written down value
Furniture and fittings	25.00% written down value
Computer equipment	25.00% written down value

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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.

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.

KGM Fire & Security Distribution Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019 (continued)

2 Accounting policies (continued)

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.

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.

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 (2018 - 5).

KGM Fire & Security Distribution Ltd

Notes to the Financial Statements for the Year Ended 31 March 2019 (continued)

4 Tangible assets

	Leasehold improvements £	Fixtures and fittings £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 April 2018	1,601	14,643	33,969	18,401	68,614
Additions	-	-	-	529	529
At 31 March 2019	1,601	14,643	33,969	18,930	69,143
Depreciation					
At 1 April 2018	1,565	13,799	16,677	14,944	46,985
Charge for the year	9	211	4,323	996	5,539
At 31 March 2019	1,574	14,010	21,000	15,940	52,524
Carrying amount					
At 31 March 2019	27	633	12,969	2,990	16,619
At 31 March 2018	36	844	17,292	3,457	21,629

5 Debtors

	2019 £	2018 £
Trade debtors	526,972	525,921
Prepayments	2,867	2,649
	<u>529,839</u>	<u>528,570</u>

6 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Trade creditors	506,341	434,069
Taxation and social security	80,940	88,233
Accruals and deferred income	3,360	2,190
Other creditors	56,576	57,802
	<u>647,217</u>	<u>582,294</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.