

**Company registration number: 04322682**

**Tuxford Exports Limited**

**Financial statements**

**30 December 2018**

## **Tuxford Exports Limited**

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**Tuxford Exports Limited****Directors and other information**

<b>Director</b>	R C Tuxford
<b>Secretary</b>	R Whitehead
<b>Company number</b>	04322682
<b>Registered office</b>	Old Colliery Site Hollinwood Lane Calverton Nottingham NG14 6NR
<b>Auditor</b>	Brooks Mayfield Limited 12 Bridgford Road West Bridgford Nottingham NG2 6AB

## **Bankers**

National Westminster Bank Plc  
11 Western Boulevard  
Bede Island  
Leicester  
England  
E2 7EJ

## **Tuxford Exports Limited**

### **Strategic report**

**Period ended 30 December 2018**

#### **Business Review**

The majority of customers of Tuxford Exports are based overseas, in areas traditionally labelled as the developing world. As such, trade is affected by both economic and also political turmoil and instability. Such factors have particularly affected customers in key overseas markets during 2018. In addition, the ongoing political turmoil in the United Kingdom continues to affect business confidence both in domestic but also many overseas markets, whilst most major economies are experiencing low or stagnant economic growth levels.

Against this backdrop therefore the director is satisfied with the overall trading results, which show an underlying increase in both turnover and net profit.

That said, given the above factors affecting most trading markets together with a noticeable tightening of global liquidity, the director has seen it prudent to make a significant exceptional provision where any doubts exist over the recoverability of amounts owed to the company. Whilst the director hopes to recover the majority of the amounts provided for, nevertheless doubt exists over their recoverability and therefore the director has exercised prudence in making the provisions.

The amounts provided for either bad debts or non-recoverable consignment stock amount to £2,306,120 at 30 December 2018, with a charge of £1,825,811 being recognised in the 2018 Statement of Income.

No dividend is proposed.

#### **Principal Risks and Uncertainties**

The director and his advisors are continually assessing the main risks facing the company. There are no formal risk management policies in place, but risks are reviewed regularly by the director. The director considers the following to be the main risks the company is exposed to;

" Liquidity Risk - Due to the high stock holding levels and the amounts owed to the company by its customers, liquidity levels remain the company's top priority. The company engages external professionals to assist with managing this risk.

" Credit Risk - Risk primarily arises from credit exposure to customers. Various controls and regular procedures are operating to limit such risk, including setting tailored terms for each customer. A provision is made for any amounts where recoverability is considered doubtful.

" Political Risk - The major risk completely outside of the company's control is the political environment, in particular how policy or even comments can have an immediate impact on the market place. By its very nature this type of risk is difficult to mitigate, although the company tries to diversify its activities and customer base as much as possible.

" Foreign Currency Risk - Due to the high level of overseas customers the company remains exposed to exchange rate risk, although the present weak pound works in favour of the company as it is a net exporter.

The company remains exposed to any increases in interest rates.

The director continues to give his financial support to the company by providing interest free loans.

### **Financial analysis**

Underlying turnover increased by 10.4% before provisions.

Underling net profit increased by £140,422 before provisions. After provision for doubtful amounts the accounts record a net loss of £1,486,092.

Gross margin decreased to 18% reflecting the tougher trader conditions.

Finally, a key target of the director is to reduce the amount of funds tied up in stock and unpaid sales. At 30 December 2018 a total of £7.4m was invested in these areas, a reduction of £500k from the levels seen at 31 December 2017.

The key performance indicators considered by the director in providing this report are as follows:

2018 2017

Increase / (Decrease) in sales 10.4% 12.5%

Profit/(loss) for the year, pre provisions £339,719 £199,297

Profit/(loss) for the year, post provisions £(1,486,092) £199,297

Gross profit margin 18.0% 21.0%

### **Non financial performance**

Despite the difficult market conditions, the reputation and expertise of the director and the company continues to be held in very high regard by all the industry's major stakeholder's, in particular its supply chain. As such, the company is at the forefront of any development or opportunities in the industry. The director considers this to be a key competitive advantage of the business.

### **Development and performance**

As mentioned above the industry continues to operate in difficult market conditions with selling prices reflecting oversupply.

This report was approved by the board of directors on 5 December 2019 and signed on behalf of the board by:

R C Tuxford

Director

## **Tuxford Exports Limited**

### **Director's report**

#### **Period ended 30 December 2018**

The director presents his report and the financial statements of the company for the period ended 30 December 2018.

#### **Director**

The director who served the company during the period was as follows:

R C Tuxford

#### **Dividends**

The director does not recommend the payment of a dividend.

#### **Future developments**

The director expects the market conditions to remain difficult for at least the next 2 to 3 years and as such will tailor the business activities accordingly.

The director believes the market place will continue to migrate to digital business practices and as such the company will continue to develop their IT systems and website so that Tuxford Exports Limited is market leader in this aspect of industry.

The company will also continue to focus on the areas of the industry which derives the best value; whilst also exploring new opportunities as they present themselves.

Cash flow and careful working capital management will continue to be crucial to the business over the next 12 months.

#### **Financial instruments**

The company has no interest rate or exchange rate financial instruments (2017: none).

#### **Overseas branches**

The company operates from its base in Calverton, Nottinghamshire, however its customer base is mainly situated in Africa and Asia.

#### **Disclosure of information in the strategic report.**

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

#### **Director's responsibilities statement**

The director is responsible for preparing the strategic report, director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial period. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him 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.

#### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and -
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 05 December 2019 and signed on behalf of the board by:

R C Tuxford

Director



**Tuxford Exports Limited****Independent auditor's report to the member of****Tuxford Exports Limited****Period ended 30 December 2018****Qualified opinion**

We have audited the financial statements of Tuxford Exports Limited for the period ended 30 December 2018 which comprise the statement of income and retained earnings, statement of financial position and 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). This report is made solely to the company's member, 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 member those matters we are required to state to him in an auditors report 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 member as a body, for our audit work, for this report, or for the opinions we have formed. In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the financial statements: - give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the period 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 qualified opinion**

With respect to the stock value of £4,435,345, we were unable to obtain sufficient appropriate evidence to verify the stock value and quantities included in the financial statements, due to issues with the company's I.T. system.

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 auditor's 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 qualified 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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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 director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has 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 director's report. 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 the returns; or - certain disclosures of director's 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 director's responsibilities statement, the director is 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 director determines is 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

## **Auditor's 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 an auditor's report 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. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

William Oates BA FCA (Senior Statutory Auditor)  
For and on behalf of  
Brooks Mayfield Limited  
Chartered Accountants and Statutory Auditors  
12 Bridgford Road  
West Bridgford  
Nottingham  
NG2 6AB  
05 December 2019

**Tuxford Exports Limited**  
**Statement of income and retained earnings**  
**Period ended 30 December 2018**

		<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>4</b>	10,067,646	10,500,602
Cost of sales		( 9,503,790)	( 8,351,350)
<b>Gross profit</b>		<u>563,856</u>	<u>2,149,252</u>
Administrative expenses		( 1,895,670)	( 1,837,020)
Other operating income	<b>5</b>	969	28,394
<b>Operating (loss)/profit</b>	<b>6</b>	<u>( 1,330,845)</u>	<u>340,626</u>
Other interest receivable and similar income	<b>9</b>	191	469
Interest payable and similar expenses	<b>10</b>	( 158,038)	( 141,798)
<b>(Loss)/profit before taxation</b>		<u>( 1,488,692)</u>	<u>199,297</u>
Tax on (loss)/profit	<b>11</b>	129,721	( 96,469)
<b>(Loss)/profit for the financial period and total comprehensive income</b>		<u>( 1,358,971)</u>	<u>102,828</u>
<b>Retained earnings at the start of the period (as previously reported)</b>		<u>2,532,026</u>	<u>2,790,247</u>
Prior period adjustments		(-)	(361,049)
<b>Retained earnings at the start of the period (restated)</b>		<u>2,532,026</u>	<u>2,429,198</u>
<b>Retained earnings at the end of the period</b>		<u>1,173,055</u>	<u>2,532,026</u>

All the activities of the company are from continuing operations.

**Tuxford Exports Limited**  
**Statement of financial position**  
**30 December 2018**

		30/12/18		31/12/17	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12	1,079,579		1,300,143	
Investments	13	3,333		3,333	
		<u>          </u>		<u>          </u>	
			1,082,912		1,303,476
<b>Current assets</b>					
Stocks	14	4,435,345		4,127,712	
Debtors	15	4,476,616		4,975,619	
Investments	16	19,677		19,677	
Cash at bank and in hand		47,256		284,640	
		<u>          </u>		<u>          </u>	
		8,978,894		9,407,648	
<b>Creditors: amounts falling due within one year</b>	17	( 5,417,890)		( 4,332,852)	
		<u>          </u>		<u>          </u>	
<b>Net current assets</b>			3,561,004		5,074,796
			<u>          </u>		<u>          </u>
<b>Total assets less current liabilities</b>			4,643,916		6,378,272
<b>Creditors: amounts falling due after more than one year</b>	18	( 2,876,027)		( 3,244,628)	
<b>Provisions for liabilities</b>	20	( 94,834)		( 101,618)	
		<u>          </u>		<u>          </u>	
<b>Net assets</b>			1,673,055		3,032,026
			<u>          </u>		<u>          </u>
<b>Capital and reserves</b>					
Called up share capital	24	500,000		500,000	
Profit and loss account	25	1,173,055		2,532,026	
		<u>          </u>		<u>          </u>	
<b>Shareholder funds</b>			1,673,055		3,032,026
			<u>          </u>		<u>          </u>

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 05 December 2019 , and are signed on behalf of the board by:

R C Tuxford

Director

Company registration number: 04322682

**Tuxford Exports Limited****Notes to the financial statements****Period ended 30 December 2018****1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Old Colliery Site, Hollinwood Lane, Calverton, Nottingham, NG14 6NR.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**3. Accounting policies****Basis of preparation**

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.



## **Judgements and key sources of estimation uncertainty**

The directors make estimates and assumptions concerning the future, they are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below. In preparing these financial statements, the directors have made the following judgements: Determine whether leases entered into by the company are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements.

**Impairment of non-current assets** The company assesses the impairment of property, plant, and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following: 1) Significant underperformance relative to historical or projected future operating results; 2) Significant changes in the use of the acquired assets or the business strategy, and 3) Significant negative industry or economic trends.

The following are the company's key sources of estimation uncertainty:

**Depreciation and residual values** The directors have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate. The actual lives of the assets and residual values are assessed annually 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. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projects disposal values.

**Carrying value of stocks** Management review the market value of and demand for the company's stocks on a periodic basis to ensure stock is recorded in the financial statements at the lower of cost and net realisable value. Any provision for impairment is recorded against the carrying value of stocks. Management use their knowledge of market conditions, historical experiences and estimates of future events to assess future demand for the company's products and achievable selling prices.

**Recoverability of trade debtors** Trade and other receivables are recognised to the extent that they are judged recoverable. Management reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain. Management makes allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

**Provisions** A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

## **Turnover**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied, stated net of discounts and of Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

## **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. 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 capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured 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.

## **Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to profit or loss.

## **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

## **Tangible assets**

Tangible assets are initially recorded at cost, and is subsequently stated at cost less any accumulated depreciation and any accumulated impairment losses.

## **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property	- Straight line over life of the lease
Plant and machinery	- 15 % reducing balance
Fittings fixtures and equipment	- 15 % reducing balance
Motor vehicles	- 25 % reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

**Fixed asset investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

**Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition. Costs are calculated on a first in, first out basis. Trucks over one year old are provided for so that they are valued at break up value.

**Hire purchase and finance leases**

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

#### 4. Turnover

The turnover is derived from classes of business and geographical markets that substantially differ from each other.

An analysis of each is given below:

##### Geographical markets

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>£</b>	<b>£</b>
UK	1,287,973	944,172
Europe	408,542	779,854
Rest of the World	9,899,197	8,776,576
	<b>11,595,712</b>	<b>10,500,602</b>

##### Business classes

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>£</b>	<b>£</b>
Trucks	7,682,650	5,681,073
Used parts	2,296,825	3,844,615
Scrap	221,098	270,331
Freight	1,017,180	499,918
Other	34,276	204,665
	<b>11,595,712</b>	<b>10,500,602</b>

#### 5. Other operating income

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>£</b>	<b>£</b>
Rental income	969	28,394

## 6. Operating loss/profit

Operating loss/profit is stated after charging/(crediting):

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible assets	288,853	524,915
(Gain)/loss on disposal of tangible assets	( 32,388)	-
Cost of stocks recognised as an expense	7,419,707	6,672,297
Impairment of trade debtors	297,746	124,657
Operating lease rentals	188,770	190,477
Foreign exchange differences	( 5,666)	( 73,672)
Fees payable for the audit of the financial statements	28,651	13,750
	<b>=====</b>	<b>=====</b>

## 7. Staff costs

The average number of persons employed by the company during the period, including the director, amounted to:

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
Administration	9	8
Yard	24	17
	<b>=====</b>	<b>=====</b>
	33	25
	<b>=====</b>	<b>=====</b>

The aggregate payroll costs incurred during the period were:

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>£</b>	<b>£</b>
Wages and salaries	843,960	759,786
Social security costs	73,296	61,613
Other pension costs	9,730	20,478
	<b>=====</b>	<b>=====</b>
	926,986	841,877
	<b>=====</b>	<b>=====</b>

## 8. Directors remuneration

The director's aggregate remuneration in respect of qualifying services was:

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>£</b>	<b>£</b>
Remuneration	80,000	56,050
Company contributions to pension schemes in respect of qualifying services	-	13,593
	<b>80,000</b>	<b>69,643</b>

The number of directors who accrued benefits under company pension plans was as follows:

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>Number</b>	<b>Number</b>
Defined contribution plans	-	1

## 9. Other interest receivable and similar income

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>£</b>	<b>£</b>
Other interest receivable and similar income	191	469

## 10. Interest payable and similar expenses

	<b>Period ended 30/12/18</b>	<b>Year ended 31/12/17</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	110,109	94,638
Other loans made to the company:		
Finance leases and hire purchase contracts	46,664	44,160
Other interest payable and similar expenses	1,265	3,000
	<b>158,038</b>	<b>141,798</b>

## 11. Tax on loss/profit

### Major components of tax income/expense

	Period ended 30/12/18 £	Year ended 31/12/17 £
<b>Current tax:</b>		
UK current tax income/expense	( 124,178)	124,178
Adjustments in respect of previous periods	1,241	( 9,460)
Total current tax	( 122,937)	114,718
<b>Deferred tax:</b>		
Origination and reversal of timing differences	( 6,784)	( 12,256)
Impact of change in tax rate	-	( 5,993)
Total deferred tax	( 6,784)	( 18,249)
<b>Tax on loss/profit</b>	<b>( 129,721)</b>	<b>96,469</b>

### Reconciliation of tax income/expense

The tax assessed on the loss/profit for the period is higher than (2017: higher than) the standard rate of corporation tax in the UK of 19.00 % (2017: 19.00%).

	Period ended 30/12/18 £	Year ended 31/12/17 £
(Loss)/profit before taxation	( 1,488,692)	199,297
(Loss)/profit multiplied by rate of tax	( 282,851)	37,866
Adjustments in respect of prior periods	1,241	( 9,460)
Effect of expenses not deductible for tax purposes	6,521	8,213
Effect of capital allowances and depreciation	17,929	64,891
Utilisation of tax losses	127,439	-
Change in tax rate	-	( 4,401)
Losses of connected companies utilised	-	( 640)
<b>Tax on loss/profit</b>	<b>( 129,721)</b>	<b>96,469</b>

### Factors affecting future tax expense

Legislation changes have been announced which will eventually reduce the main rate of corporation tax to 17%, thus reducing the overall tax charge of future years. This change will be effective from 1 April 2020.



## 12. Tangible assets

	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2018	3,168,996	1,168,555	148,724	469,716	4,955,991
Additions	-	97,000	3,876	-	100,876
Disposals	( 19,510)	-	( 53,761)	( 78,354)	( 151,625)
<b>At 30 December 2018</b>	<b>3,149,486</b>	<b>1,265,555</b>	<b>98,839</b>	<b>391,362</b>	<b>4,905,242</b>
<b>Depreciation</b>					
At 1 January 2018	2,585,579	765,351	92,423	212,495	3,655,848
Charge for the year	143,244	71,393	15,260	57,420	287,317
Disposals	( 13,048)	-	( 53,646)	( 50,808)	( 117,502)
<b>At 30 December 2018</b>	<b>2,715,775</b>	<b>836,744</b>	<b>54,037</b>	<b>219,107</b>	<b>3,825,663</b>
<b>Carrying amount</b>					
<b>At 30 December 2018</b>	<b>433,711</b>	<b>428,811</b>	<b>44,802</b>	<b>172,255</b>	<b>1,079,579</b>
At 31 December 2017	583,417	403,204	56,301	257,221	1,300,143

### Obligations under finance leases

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £
<b>At 30 December 2018</b>	<b>338,005</b>	<b>13,749</b>	<b>80,095</b>
At 31 December 2017	171,283	16,175	114,794

### 13. Investments

		Participating interests £	Total £
<b>Cost</b>			
<b>At 1 January 2018 and 30 December 2018</b>		3,333	3,333
		<hr/>	<hr/>
<b>Impairment</b>			
<b>At 1 January 2018 and 30 December 2018</b>		-	-
		<hr/>	<hr/>
<b>Carrying amount</b>			
<b>At 30 December 2018</b>		3,333	3,333
		<hr/>	<hr/>
At 31 December 2017		3,333	3,333
		<hr/>	<hr/>
<b>Investments in group undertakings</b>			
	Registered office	Class of share	Percentage of shares held
<b>Participating interest</b>			
Nottingham Bulwell Stone Limited	Hollinwood Lane, Calverton, Nottinghamshire, NG14 6NR	Ordinary £1	33
Carlton Road Development Limited	71, Colwick Quays Business Park, Colwick, Nottingham, England, NG4 2JY	Ordinary £1	33
RC Tuxford Exports Africa (Pty) Limited	323 Lynnwood Road, Menlo Park, Pretoria, 0081. South Africa.	Ordinary 1 Rand	40
At the year end RC Tuxford Exports Africa (Pty)Limited was non trading during the year.			

The results and capital and reserves for the period of the trading companies are as follows:

	<b>Capital and reserves</b>		<b>Profit/(loss) for the period</b>	
	<b>30/12/18</b>	<b>31/12/17</b>	<b>30/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Participating interest</b>				
Nottingham Bulwell Stone Limited	(714,720)	(708,657)	(6,063)	(12,921)
Carlton Road Development Limited	(190,713)	(166,592)	(24,121)	(12,307)
RC Tuxford Exports Africa (Pty) Limited	(-)	(-)	(-)	(-)

#### 14. Stocks

	<b>30/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>
Finished goods	4,435,345	4,127,712

An impairment loss of £363,158 (2017: £101,408) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

#### 15. Debtors

	<b>30/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,957,668	3,816,183
Prepayments and accrued income	48,315	38,091
Other debtors	1,470,633	1,121,345
	<b>4,476,616</b>	<b>4,975,619</b>

Trade debtors written off in the year and included within administrative expenses in the profit and loss account in relation to bad debts amounted to £1,825,811 (2017: £124,657).

#### 16. Investments

	<b>30/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>
Other investments	19,677	19,677

The market value of the listed investments at 30 December 2017 was £21,379 (2017: £24,664).

**17. Creditors: amounts falling due within one year**

	<b>30/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	1,459,279	1,004,165
Trade creditors	2,731,304	2,272,010
Accruals and deferred income	47,239	81,153
Social security and other taxes	30,314	36,265
Obligations under finance leases	215,878	152,286
Other creditors	933,876	786,973
	<b>5,417,890</b>	<b>4,332,852</b>

Bank loan - repayment over 120 months and interest is payable at a fixed rate of 4.22% per annum.

Bank loans and overdrafts totalling £1,174,795 (2017: £1,004,165) are secured by: Mortgage charge with National Westminster Bank Plc dated 6 September 2017. It contains a fixed charge, a floating charge over all the property and undertakings of the company and a negative pledge. The director has also provided a cross-guarantee of £4.03m against property owned personally.

**18. Creditors: amounts falling due after more than one year**

	<b>30/12/18</b>	<b>31/12/17</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	2,673,983	2,955,038
Obligations under finance leases	202,044	289,590
	<b>2,876,027</b>	<b>3,244,628</b>

Bank loan - repayment over 120 months and interest is payable at a fixed rate of 4.22% per annum.

Bank loans and overdrafts totalling £2,828,129 (2017: £2,955,038) are secured by: Mortgage charge with National Westminster Bank Plc dated 6 September 2017. It contains a fixed charge, a floating charge over all the property and undertakings of the company and a negative pledge. The director has also provided a cross-guarantee of £4.03m against property owned personally.

## 19. Obligations under finance leases

### Company lessee

The total future minimum lease payments under finance lease agreements are as follows:

	30/12/18	31/12/17
	£	£
Not later than 1 year	237,657	152,286
Later than 1 year and not later than 5 years	320,491	289,590
	<u>558,148</u>	<u>441,876</u>
Present value of minimum lease payments	<u>558,148</u>	<u>441,876</u>

The hire purchases relate primarily to the purchase of motor vehicles. All hire purchase creditors are secured on the assets which they relate to.

30/12/18 31/12/17

## 20. Provisions

	Deferred tax (note 21)	Total
	£	£
At 1 January 2018	101,618	101,618
Charges against provisions	( 6,784)	( 6,784)
<b>At 30 December 2018</b>	<u>94,834</u>	<u>94,834</u>

## 21. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	30/12/18	31/12/17
	£	£
Included in provisions (note 20)	94,834	101,618

The deferred tax account consists of the tax effect of timing differences in respect of:

	30/12/18	31/12/17
	£	£
Accelerated capital allowances	94,834	101,618

## 22. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was £ 9,730 (2017: £ 20,478 ).

## 23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	30/12/18	31/12/17
	£	£
<b>Financial assets measured at fair value through profit or loss</b>		
Listed investments	19,677	19,677

The company has no interest rate or exchange rate financial instruments (2017: none).

## 24. Called up share capital

### Issued, called up and fully paid

	30/12/18		31/12/17	
	No	£	No	£
Ordinary shares of £ 1.00 each	500,000	500,000	500,000	500,000

Ordinary shares have full voting rights and participating rights.

## 25. Reserves

Profit and loss account: This reserve records retained earnings and accumulated losses.

## 26. Operating leases

### The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	£	£
Not later than 1 year	194,311	189,904
Later than 1 year and not later than 5 years	178,709	61,759
Later than 5 years	195,800	-
	<u>568,820</u>	<u>251,663</u>

The above amounts reflect the signing of a new 10 year lease on the businesses main operating site during the year.

### 27. Directors advances, credits and guarantees

During the period the director entered into the following advances and credits with the company:

Period  
ended  
30/12/18

	Balance brought forward £	Advances /(credits) to the director £	Amounts repaid £	Balance o/standing £
R C Tuxford	26,257	169,208	( 143,737)	51,728
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Year  
ended  
31/12/17

	Balance brought forward £	Advances /(credits) to the director £	Amounts repaid £	Balance o/standing £
R C Tuxford	( 27,740)	53,997	-	26,257
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The loan is unsecured and interest free.

## **28. Related party transactions**

Transactions with entities over which the company has control, joint control or significant influence; During the year the company made sales of £340,183 (2017: £1,079,134). Amounts owed to the company at 30 December 2018 were £1,200,500 (2017: £1,816,307), this being after an amount of £516,526 (2017: £ nil) was written off the balance. Outstanding balances with the entities are unsecured, interest free and cash settlement is normally due 30 days from the date of invoice. The company has not provided or benefited from any guarantees for any related party receivables or payables. During the year the company paid expenses for / received reimbursements from companies over which they have significant influence totaling £17,095 repaid (2017: £102,626 paid). At 30 December 2018 £1,032,402 (2017: £1,049,497) remained outstanding and included in other debtors. Transactions with other related parties; During the year the company repaid loans of £43,314 (2017: £105,000) from family members of the director. At 30 December 2018 the balance outstanding and included in other creditors was £187,216 (2017: £230,530). No interest is charged on the loans which are unsecured and repayable on demand. Transactions with directors; During the year the company rented a property from the director for £190,200 (2017: £190,200). No amounts remained outstanding at the year end. The director received total remuneration during the year of £80,000 (2017: £69,643).

## **29. Key management personnel**

Other than the director there is not considered to be any other key management personnel.

## **30. Controlling party**

The company is controlled by R C Tuxford by virtue of his 100% shareholding and day to day involvement in the company.



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