

Abbey Marketing Communications Limited
Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2020

Abbey Marketing Communications Limited

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Abbey Marketing Communications Limited

Company Information

Directors	P I Brett M Cantwell A J F Cantwell
Company secretary	M Cantwell
Registered office	Unit 4 Oak Industrial Park Great Dunmow Essex CM6 1XN
Solicitors	Birkett Long LLP 1 Amphora Place Sheepen Road Colchester Essex CO3 3WG
Bankers	Barclays Bank PLC Lewisham 93 Lewisham High Street Lewisham London
Accountants	Lambert Chapman LLP Chartered Accountants 3 Warners Mill Silks Way Braintree Essex CM7 3GB

Abbey Marketing Communications Limited

(Registration number: 04387927)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	188,457	178,369
Investments	<u>5</u>	151,600	-
		<u>340,057</u>	<u>178,369</u>
Current assets			
Debtors	<u>6</u>	426,566	413,112
Cash at bank and in hand		37,983	135,069
		464,549	548,181
Creditors: Amounts falling due within one year	<u>7</u>	(765,434)	(592,162)
Net current liabilities		<u>(300,885)</u>	<u>(43,981)</u>
Total assets less current liabilities		39,172	134,388
Creditors: Amounts falling due after more than one year		(23,690)	-
Provisions for liabilities		(35,048)	(30,227)
Net (liabilities)/assets		<u>(19,566)</u>	<u>104,161</u>
Capital and reserves			
Called up share capital		75	75
Revaluation reserve		32,772	43,873
Profit and loss account		(52,413)	60,213
Total equity		<u>(19,566)</u>	<u>104,161</u>

For the financial year ending 31 March 2020 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 22 December 2020 and signed on its behalf by:

Director

The notes on pages 4 to 11 form an integral part of these financial statements.

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Abbey Marketing Communications Limited

(Registration number: 04387927)
Balance Sheet as at 31 March 2020

M Cantwell
Company secretary and director

A J F Cantwell
Director

Abbey Marketing Communications Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

1 General information

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

The address of its registered office is: Unit 4, Oak Industrial Park, Great Dunmow, Essex, CM6 1XN.

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.

These financial statements are presented in Sterling (£), which is the company's functional currency.

Revenue recognition

Turnover represents net invoiced sales of goods excluding value added tax.

Foreign currency transactions and balances

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

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 tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation.

Depreciation

Depreciation is charged so as to write off the cost or valuation 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	50% and 25% straight line and reducing balance
Website development	20% Straight line method
Motor Vehicles	25% and 20% straight line method

Abbey Marketing Communications Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

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 at the transaction price 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 debt.

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 at the transaction price less impairment.

Leases

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

Abbey Marketing Communications Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

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 26 (2019 - 26).

Abbey Marketing Communications Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

4 Tangible assets

	Leasehold improvements £	Website £	Motor vehicles £	Office Equipment £	Plant and machinery £
Cost or valuation					
At 1 April 2019	8,842	18,500	80,518	97,821	345,626
Additions	-	-	-	2,470	64,383
At 31 March 2020	8,842	18,500	80,518	100,291	410,009
Depreciation					
At 1 April 2019	208	18,500	58,198	81,331	212,131
Charge for the year	885	268	5,580	6,251	46,351
At 31 March 2020	1,093	18,768	63,778	87,582	258,482
Carrying amount					
At 31 March 2020	7,749	(268)	16,740	12,709	151,527
At 31 March 2019	8,634	-	22,320	13,920	133,495

Revaluation

The fair value of the company's Plant and machinery was revalued on 31 March 2015. An independent valuer was not involved. The valuation of the plant and machinery as at 31 March 2015 was £259,481. Additions since this date have been included at cost. The directors consider that the value of plant and machinery at 31 March 2020 is not materially different to the stated amount of £151,527.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £110,411 (2019 - £78,676).

Abbey Marketing Communications Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

5 Investments

Subsidiaries	£
Cost or valuation	
Additions	151,600
Carrying amount	
At 31 March 2020	151,600

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Spirit DM Limited	Unit 4, Oak Industrial Park, Great Dunmow, Essex CM6 1XN England	One hundred Ordinary £1 shares	100%	0%

6 Debtors

	2020	2019
	£	£
Trade debtors	324,214	301,078
Amounts owed by related parties	-	14,467
Directors loan	28,070	21,747
Other debtors	36,857	9,376
Prepayments and accrued income	32,425	66,444
Amounts recoverable on contracts	5,000	-
Total current trade and other debtors	426,566	413,112

Abbey Marketing Communications Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

7 Creditors

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>10</u>	8,938	784
Trade creditors		185,653	292,261
Amounts due to subsidiary		102,000	-
Social security and other taxes		78,479	44,892
Other creditors		275,515	176,334
Accrued expenses		14,260	9,528
Directors loan		100,589	68,363
		<u>765,434</u>	<u>592,162</u>
Due after one year			
Loans and borrowings	<u>10</u>	<u>23,690</u>	<u>-</u>

Abbey Marketing Communications Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

8 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	75	75	75	75

9 Reserves

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	Revaluation reserve £	Total £
Surplus/(deficit) on property, plant and equipment revaluation	2,604	2,604

A decrease in the deferred tax provision on the revaluation reserve of plant and machinery, as required under FRS 102, has been credited to the revaluation reserve in the sum of £2,604.

10 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Hire purchase contracts	23,690	-
Current loans and borrowings		
Hire purchase contracts	8,938	784

11 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £287,000 (2019 - £190,152).

Abbey Marketing Communications Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

12 Related party transactions

Transactions with directors

	At 1 April 2019 £	Advances to director £	Repayments by director £	At 31 March 2020 £
2020				
Advances and credits to directors	21,747	68,685	(62,362)	28,070
	21,747	68,685	(62,362)	28,070

	At 1 April 2018 £	Advances to director £	Repayments by director £	At 31 March 2019 £
2019				
Advances and credits to directors	32,692	58,908	(69,853)	21,747
	32,692	58,908	(69,853)	21,747

Interest was charged at 2.5% on the loan.

13 Non adjusting events after the financial period

During the year to 31 March 2020, the world has been impacted by the onset and escalation of the coronavirus (Covid-19) which was announced as a pandemic by the World Health Organisation (WHO) on 11 March 2020.

The UK economy has been significantly impacted following the UK Government's announcement of the shutdown of businesses and premises on 23 March 2020.

The company has been affected by the economic changes which have impacted its sales but has seen post balance sheet turnover increase, after the lockdown measures were lifted in July 2020.

The Directors continue to monitor the company's performance as a result of Covid-19 and continue to implement mitigating actions and processes to ensure the company continues to operate effectively.

Braintree

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