

REGISTERED NUMBER: 05218735 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

FOR

P K PRODUCE LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4

P K PRODUCE LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2020

DIRECTOR: P Kingsland

REGISTERED OFFICE: Wood House
58 North Street
Biddenden
Ashford
Kent
TN27 8AS

REGISTERED NUMBER: 05218735 (England and Wales)

ACCOUNTANTS: Crowe U.K. LLP
4 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1EE

BALANCE SHEET
30 SEPTEMBER 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Tangible assets	4		146,900		168,027
CURRENT ASSETS					
Stocks		16,738		18,389	
Debtors	5	160,052		211,038	
Cash at bank and in hand		<u>125,762</u>		<u>22,944</u>	
		302,552		252,371	
CREDITORS					
Amounts falling due within one year	6	<u>169,232</u>		<u>218,992</u>	
NET CURRENT ASSETS			<u>133,320</u>		<u>33,379</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			280,220		201,406
CREDITORS					
Amounts falling due after more than one year	7		(174,153)		(97,598)
PROVISIONS FOR LIABILITIES	9		<u>(27,900)</u>		<u>(26,736)</u>
NET ASSETS			<u>78,167</u>		<u>77,072</u>
CAPITAL AND RESERVES					
Called up share capital	10		850		850
Capital redemption reserve	11		150		150
Retained earnings	11		<u>77,167</u>		<u>76,072</u>
SHAREHOLDERS' FUNDS			<u>78,167</u>		<u>77,072</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2020 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

BALANCE SHEET - continued
30 SEPTEMBER 2020

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved and authorised for issue by the director and authorised for issue on 18 November 2020 and were signed by:

P Kingsland - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. STATUTORY INFORMATION

P K Produce Limited is a private company, limited by shares, registered in England and Wales.

The company's registered number and registered office address can be found on the Company Information page.

The principal activity of the company in the year under review was that of the distribution of fruit and vegetables.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue is recognised when goods are delivered to customers.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Leasehold land & buildings	- 5% on cost
Plant and machinery	- 20% on cost and 15% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. ACCOUNTING POLICIES - continued

Going concern

Accounting standards require the director to consider the appropriateness of the going concern basis when preparing the financial statements. The director confirms that he considers that the going concern basis remains appropriate. The director believes that the company has sufficient resources to continue in operational existence for the foreseeable future. The director believes this to be the case as the company has positive reserves, cash balances and no significant long term liabilities.

During the Covid 19 pandemic, the company has seen a reduction in trading as a result of the impact on the hospitality industry and schools. The director has taken advantage of the various government schemes available, including the furloughing of staff. During the first lockdown, the company worked delivering groceries for a local supermarket to individuals who were unable to leave their houses during the lockdown. Sales increased during the government's Eat Out to Help Out scheme, when restaurants reopened, before a fall again in the second lockdown. The director is maintaining good relationships with their customers and are confident that trading will return to pre Covid 19 levels after the pandemic is over.

Thus he continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at the transaction price.

Cash and Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known accounts of cash with significant risk of change in value.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Operating lease commitments

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 18 (2019 - 22) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

4. TANGIBLE FIXED ASSETS

	Leasehold land & buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 October 2019	24,411	46,518	50,031	323,919	444,879
Additions	-	19,901	425	17,795	38,121
Disposals	-	-	-	(51,127)	(51,127)
At 30 September 2020	<u>24,411</u>	<u>66,419</u>	<u>50,456</u>	<u>290,587</u>	<u>431,873</u>
DEPRECIATION					
At 1 October 2019	15,009	40,380	38,234	183,229	276,852
Charge for year	1,216	3,043	2,572	52,417	59,248
Eliminated on disposal	-	-	-	(51,127)	(51,127)
At 30 September 2020	<u>16,225</u>	<u>43,423</u>	<u>40,806</u>	<u>184,519</u>	<u>284,973</u>
NET BOOK VALUE					
At 30 September 2020	<u>8,186</u>	<u>22,996</u>	<u>9,650</u>	<u>106,068</u>	<u>146,900</u>
At 30 September 2019	<u>9,402</u>	<u>6,138</u>	<u>11,797</u>	<u>140,690</u>	<u>168,027</u>

The NBV of fixed assets, included in motor vehicles and plant and machinery above, which are held under hire purchase contracts are £106,856 (2019 - £101,984).

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	146,657	195,894
Other debtors	13,395	15,144
	<u>160,052</u>	<u>211,038</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts	10,000	15,204
Hire purchase contracts (see note 8)	40,445	33,361
Trade creditors	114,319	157,640
Taxation and social security	366	6,928
Other creditors	4,102	5,859
	<u>169,232</u>	<u>218,992</u>

Liabilities for hire purchase contracts are secured upon the assets to which they relate.

Included within bank loans and overdrafts is a loan of £50,000, which is secured via a personal guarantee of the director.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans	130,000	40,000
Hire purchase contracts (see note 8)	<u>44,153</u>	<u>57,598</u>
	<u>174,153</u>	<u>97,598</u>

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2020	2019
	£	£
Net obligations repayable:		
Within one year	40,445	33,361
Between one and five years	<u>44,153</u>	<u>57,598</u>
	<u>84,598</u>	<u>90,959</u>
	Non-cancellable	operating
	2020	leases
	£	2019
	£	£
Within one year	20,000	-
Between one and five years	<u>-</u>	<u>20,000</u>
	<u>20,000</u>	<u>20,000</u>

9. PROVISIONS FOR LIABILITIES

	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	<u>27,900</u>	<u>26,736</u>
		Deferred
		tax
		£
Balance at 1 October 2019		26,736
Fixed asset timing differences		1,164
Other timing differences		
Balance at 30 September 2020		<u>27,900</u>

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
800	Ordinary A	£1	800	800
50	Ordinary B	£1	<u>50</u>	<u>50</u>
			<u>850</u>	<u>850</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

11. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 October 2019	76,072	150	76,222
Profit for the year	1,095		1,095
At 30 September 2020	<u>77,167</u>	<u>150</u>	<u>77,317</u>

12. RELATED PARTY DISCLOSURES

During the year, £Nil of dividends (2019 - £40,000) were paid to P Kingsland, a director, and his family.

Included within other creditors is £74 owing to P Kingsland (2019 - £784).

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.