

REGISTERED NUMBER: 05218735 (England and Wales)

**REPORT OF THE DIRECTOR AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018
FOR
P K PRODUCE LIMITED**

P K PRODUCE LIMITED (REGISTERED NUMBER: 05218735)

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FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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P K PRODUCE LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2018

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

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The director presents his report with the financial statements of the company for the year ended 30 September 2018.

PRINCIPAL ACTIVITY

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

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

DIRECTOR

P Kingsland held office during the whole of the period from 1 October 2017 to the date of this report.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

P Kingsland - Director

27 November 2018

**CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR
ON THE UNAUDITED FINANCIAL STATEMENTS OF
P K PRODUCE LIMITED**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of P K Produce Limited for the year ended 30 September 2018 which comprise the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/regulations.

This report is made solely to the director of P K Produce Limited in accordance with the terms of our engagement letter dated 27th October 2017. Our work has been undertaken solely to prepare for your approval the financial statements of P K Produce Limited and state those matters that we have agreed to state to the director of P K Produce Limited in this report in accordance with AAF 7/16 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than P K Produce Limited and its director for our work or for this report.

It is your duty to ensure that P K Produce Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and profit. You consider that P K Produce Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of P K Produce Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

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

3 December 2018

P K PRODUCE LIMITED (REGISTERED NUMBER: 05218735)

**INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

		2018	2017
	Notes	£	£
TURNOVER		2,478,857	2,614,735
Cost of sales		<u>2,292,849</u>	<u>2,444,236</u>
GROSS PROFIT		186,008	170,499
Distribution costs		2,741	1,282
Administrative expenses		<u>108,491</u>	<u>121,375</u>
		111,232	122,657
OPERATING PROFIT	4	<u>74,776</u>	<u>47,842</u>
Interest receivable and similar income		<u>1</u>	<u>-</u>
		74,777	47,842
Interest payable and similar expenses		<u>5,468</u>	<u>6,890</u>
PROFIT BEFORE TAXATION		69,309	40,952
Tax on profit	5	<u>13,748</u>	<u>7,342</u>
PROFIT FOR THE FINANCIAL YEAR		<u>55,561</u>	<u>33,610</u>

The notes form part of these financial statements

P K PRODUCE LIMITED (REGISTERED NUMBER: 05218735)

**BALANCE SHEET
30 SEPTEMBER 2018**

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	7		142,395		161,064
CURRENT ASSETS					
Stocks		23,087		20,109	
Debtors	8	252,245		225,370	
Cash at bank and in hand		<u>26,783</u>		<u>27,058</u>	
		302,115		272,537	
CREDITORS					
Amounts falling due within one year	9	<u>293,763</u>		<u>278,689</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>8,352</u>		<u>(6,152)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			150,747		154,912
CREDITORS					
Amounts falling due after more than one year	10		(31,621)		(38,311)
PROVISIONS FOR LIABILITIES			<u>(23,988)</u>		<u>(26,524)</u>
NET ASSETS			<u>95,138</u>		<u>90,077</u>
CAPITAL AND RESERVES					
Called up share capital	12		850		850
Capital redemption reserve	13		150		150
Retained earnings	13		<u>94,138</u>		<u>89,077</u>
SHAREHOLDERS' FUNDS			<u>95,138</u>		<u>90,077</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2018 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 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
- (b) 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.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the director on 27 November 2018 and were signed by:

P Kingsland - Director

The notes form part of these financial statements

P K PRODUCE LIMITED (REGISTERED NUMBER: 05218735)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 October 2016	850	87,738	150	88,738
Changes in equity				
Dividends	-	(32,271)	-	(32,271)
Total comprehensive income	-	33,610	-	33,610
Balance at 30 September 2017	<u>850</u>	<u>89,077</u>	<u>150</u>	<u>90,077</u>
Changes in equity				
Dividends	-	(50,500)	-	(50,500)
Total comprehensive income	-	55,561	-	55,561
Balance at 30 September 2018	<u>850</u>	<u>94,138</u>	<u>150</u>	<u>95,138</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

2. ACCOUNTING POLICIES - continued

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 22 (2017 - 22) .

4. OPERATING PROFIT

The operating profit is stated after charging:

	2018	2017
	£	£
Depreciation - owned assets	<u>28,797</u>	<u>21,763</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	16,284	3,337
Deferred tax	(2,536)	4,005
Tax on profit	<u>13,748</u>	<u>7,342</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

6. DIVIDENDS					
		2018	2017		
		£	£		
Ordinary shares of £1 each					
Final		<u>50,500</u>	<u>32,271</u>		
7. TANGIBLE FIXED ASSETS					
	Leasehold land & buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 October 2017	22,994	46,518	41,212	331,204	441,928
Additions	-	-	791	53,804	54,595
Disposals	-	-	-	(64,885)	(64,885)
At 30 September 2018	<u>22,994</u>	<u>46,518</u>	<u>42,003</u>	<u>320,123</u>	<u>431,638</u>
DEPRECIATION					
At 1 October 2017	12,660	36,039	33,003	199,162	280,864
Charge for year	1,150	2,534	2,814	60,451	66,949
Eliminated on disposal	-	-	-	(58,570)	(58,570)
At 30 September 2018	<u>13,810</u>	<u>38,573</u>	<u>35,817</u>	<u>201,043</u>	<u>289,243</u>
NET BOOK VALUE					
At 30 September 2018	<u>9,184</u>	<u>7,945</u>	<u>6,186</u>	<u>119,080</u>	<u>142,395</u>
At 30 September 2017	<u>10,334</u>	<u>10,479</u>	<u>8,209</u>	<u>132,042</u>	<u>161,064</u>
NBV of fixed assets, included in the above, which are held under hire purchase contracts are £112,338 (2017 - £103,001).					
8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
		2018	2017		
		£	£		
Trade debtors		233,906	199,207		
Other debtors		18,339	26,163		
		<u>252,245</u>	<u>225,370</u>		
9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
		2018	2017		
		£	£		
Hire purchase contracts (see note 11)		46,625	45,656		
Trade creditors		209,408	212,948		
Taxation and social security		22,647	15,084		
Other creditors		15,083	5,001		
		<u>293,763</u>	<u>278,689</u>		
Liabilities for hire purchase contracts are secured upon the assets to which they relate.					
10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR					
		2018	2017		
		£	£		
Hire purchase contracts (see note 11)		<u>31,621</u>	<u>38,311</u>		

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

11. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	46,625	45,656
Between one and five years	31,621	38,311
	<u>78,246</u>	<u>83,967</u>
	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	25,077	25,077
Between one and five years	53,087	78,164
	<u>78,164</u>	<u>103,241</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
800	Ordinary A	£1	800	800
50	Ordinary B	£1	50	50
			<u>850</u>	<u>850</u>

13. RESERVES

	Retained earnings	Capital redemption reserve	Totals
	£	£	£
At 1 October 2017	89,077	150	89,227
Profit for the year	55,561		55,561
Dividends	(50,500)		(50,500)
At 30 September 2018	<u>94,138</u>	<u>150</u>	<u>94,288</u>

14. RELATED PARTY DISCLOSURES

During the year, £33,230 of dividends (2017 - £30,271) were paid to P Kingsland, a director. Additionally, £17,270 (2017 - £2,000) of dividends were paid to his wife, Mrs E Kingsland.

Included within other creditors is £10,000 owing to P Kingsland (2017 - £10,000 in other debtors).

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