

COMPANY REGISTRATION NUMBER: 05472207

**ADP Distribution Limited**  
**Financial Statements**  
**31 December 2016**

SATURDAY



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01/04/2017  
COMPANIES HOUSE

**ADP Distribution Limited**  
**Financial Statements**  
**Year ended 31 December 2016**

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# **ADP Distribution Limited**

## **Chartered Certified Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of ADP Distribution Limited**

**Year ended 31 December 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of ADP Distribution Limited for the year ended 31 December 2016, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at [www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html](http://www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html).

This report is made solely to the Board of Directors of ADP Distribution Limited, as a body, in accordance with the terms of our engagement letter dated 15 November 2011. Our work has been undertaken solely to prepare for your approval the financial statements of ADP Distribution Limited and state those matters that we have agreed to state you, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at [www.accaglobal.com/content/dam/ACCA\\_Global/Technical/fact/technical-factsheet-163.pdf](http://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than ADP Distribution Limited and its Board of Directors, as a body, for our work or for this report.

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

We have not been instructed to carry out an audit or a review of the financial statements of ADP Distribution 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.

**GCN ACCOUNTING SERVICES LIMITED**  
Chartered Certified Accountants

Dominique House  
1 Church Road  
Netherton  
Dudley  
West Midlands  
DY2 0LY

# ADP Distribution Limited

## Statement of Financial Position

**31 December 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	6	57,420	38,441
<b>Current assets</b>			
Debtors	7	98,085	71,750
Cash at bank and in hand		<u>76,526</u>	<u>84,454</u>
		174,611	156,204
<b>Creditors: amounts falling due within one year</b>	8	<u>174,606</u>	<u>163,059</u>
<b>Net current assets/(liabilities)</b>		5	(6,855)
<b>Total assets less current liabilities</b>		57,425	31,586
<b>Creditors: amounts falling due after more than one year</b>	9	5,628	3,790
<b>Provisions</b>			
Taxation including deferred tax		<u>11,484</u>	<u>7,688</u>
<b>Net assets</b>		<u>40,313</u>	<u>20,108</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>40,213</u>	<u>20,008</u>
<b>Members funds</b>		<u>40,313</u>	<u>20,108</u>

These financial statements have been prepared and 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'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 December 2016 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position  
continues on the following page.  
The notes on pages 4 to 8 form part of these financial statements.

# **ADP Distribution Limited**

## **Statement of Financial Position** *(continued)*

**31 December 2016**

These financial statements were approved by the board of directors and authorised for issue on 10 March 2017, and are signed on behalf of the board by:

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the left.

Mr S Birch  
Director

Company registration number: 05472207

The notes on pages 4 to 8 form part of these financial statements.

**ADP Distribution Limited**  
**Notes to the Financial Statements**  
**Year ended 31 December 2016**

**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Dominique House, 1 Church Road, Netherton, Dudley, DY2 0LY.

**2. Statement of compliance**

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership 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.

**Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, 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.

# **ADP Distribution Limited**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2016**

### **3. Accounting policies** *(continued)*

#### **Income tax** *(continued)*

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.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### **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:

Plant & Machinery	- 20% reducing balance
Fixtures & Fittings	- 15% reducing balance
Motor Vehicles	- 25% reducing balance

#### **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts 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.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

# ADP Distribution Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 3. Accounting policies *(continued)*

#### Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### 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.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 4. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to 12 (2015: 12).

### 5. Profit before taxation

Profit before taxation is stated after charging:

	<b>2016</b>	2015
	<b>£</b>	£
Depreciation of tangible assets	<b><u>12,664</u></b>	<u>6,335</u>

### 6. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 January 2016	8,333	17,242	42,088	<b>67,663</b>
Additions	8,979	2,812	19,852	<b>31,643</b>
<b>At 31 December 2016</b>	<u>17,312</u>	<u>20,054</u>	<u>61,940</u>	<u><b>99,306</b></u>
<b>Depreciation</b>				
At 1 January 2016	4,039	6,815	18,368	<b>29,222</b>
Charge for the year	1,237	1,905	9,522	<b>12,664</b>
<b>At 31 December 2016</b>	<u>5,276</u>	<u>8,720</u>	<u>27,890</u>	<u><b>41,886</b></u>
<b>Carrying amount</b>				
<b>At 31 December 2016</b>	<u>12,036</u>	<u>11,334</u>	<u>34,050</u>	<u><b>57,420</b></u>
At 31 December 2015	<u>4,294</u>	<u>10,427</u>	<u>23,720</u>	<u><b>38,441</b></u>

# ADP Distribution Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 6. Tangible assets *(continued)*

#### Finance leases and hire purchase contracts

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

	Motor vehicles £
At 31 December 2016	11,052
At 31 December 2015	—

### 7. Debtors

	2016 £	2015 £
Trade debtors	82,476	67,677
Other debtors	15,609	4,073
	<u>98,085</u>	<u>71,750</u>

All amounts under debtors fall due for payment within one year.

### 8. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	3,932	4,548
Trade creditors	36,867	24,093
Corporation tax	22,033	21,712
Social security and other taxes	13,839	4,976
Other creditors	97,935	107,730
	<u>174,606</u>	<u>163,059</u>

The bank loan of £3,932 (2015:£8,338) is personally guaranteed by both of the directors.

### 9. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	—	3,790
Other creditors	5,628	—
	<u>5,628</u>	<u>3,790</u>

The bank loan of £3,932 (2015:£8,338) is personally guaranteed by both of the directors.

# ADP Distribution Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2016

#### 10. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2016 £	2015 £
Not later than 1 year	4,447	—
Later than 1 year and not later than 5 years	5,628	—
	<u>10,075</u>	<u>—</u>

#### 11. Directors' advances, credits and guarantees

The company owed the directors £88,466 (2015: £103,171) at the balance sheet date.

#### 12. Related party transactions

The controlling parties are Mr S Birch and Mrs N Birch by virtue of their ownership of 100% of the issued share capital in the company.

The bank loan of £3,932 (2015:£8,338) is personally guaranteed by both of the directors.

The directors, S Birch, and N Birch, are also directors in the following company:

Sampleworx Limited from whom the company sold goods to the value of £2,292.

The company purchased goods to the value of £2,291 on behalf of the Sampleworx Limited.

At the balance sheet date the amount owed by Sampleworx Limited was £4,777.

#### 13. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in equity or profit or loss for the year.