

Company Registration No. 06470278 (England and Wales)

CATERING EQUIPMENT PROFESSIONAL LTD
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018



CATERING EQUIPMENT PROFESSIONAL LTD

COMPANY INFORMATION

Directors	Mr C Allen M Mason Mr D Simpson
Secretary	Mr T Cullen
Company number	06470278
Registered office	8 Manchester Square London England and Wales W1U 3PH
Auditor	RSM UK Audit LLP Chartered Accountants Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE

CATERING EQUIPMENT PROFESSIONAL LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present the strategic report for the year ended 31 December 2018.

Fair review of the business

The directors report a loss before tax for the year of £6,903 (2017 - £17,094), turnover for the year of £607,496 (2017 - £793,850), gross margin for the year of (19.28%) (2017 - 17.02%) and net assets at the end of the year of £47,775 (2017 - £54,678). In spite of lower turnover margins have been maintained and operating loss has marginally reduced due to a change in product mix.

Subsequent to the year end on 1 January 2019, the trade, assets and liabilities of the company were transferred at book value to another group company. Accordingly the statement of comprehensive income describes all activities discontinued.

Principal risks and uncertainties

The directors of the company manage the company's risk in conjunction with the management of Pentland Group plc.

The company's operations are exposed to a variety of financial risks that include the effects of changes to foreign currency exchange rates, customer credit risk, supply chain risk and trading seasonality. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company.

Policies are in place to limit the exposure to excess stock being carried forward from one year to the next. The company has no significant concentrations of credit risk. Receivable balances are monitored on an ongoing basis to ensure the company's bad debt exposure is not significant.

The company looks to mitigate supply chain risk by implementing a rigorous supplier selection process and working closely with a variety of suppliers in a range of regions.

Key performance indicators

The company's key performance indicators during the year were as follows:

Years ended	31 December 2018	31 December 2017 (11 months)	31 January 2017
Turnover	£607,496	£793,850	£970,921
Turnover growth	-23.47%	-18.24%	8.03%
Gross profit margin	19.28%	17.02%	14.95%
Loss before tax and exceptional items	£6,903	£17,094	£56,503

Future developments

The focus for 2019 will be to increase sales further in Pentland Wholesale Limited to whom the activities have been transferred post year end.

On behalf of the board



Mr C Allen

Director

Date: 18/9/19...

CATERING EQUIPMENT PROFESSIONAL LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the company continued to be that of the retail of catering equipment.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr C Allen
M Mason
Mr D Simpson

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

RSM UK Audit LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr C Allen
Director

Date: 18/12/19

CATERING EQUIPMENT PROFESSIONAL LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are 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 them 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATERING EQUIPMENT PROFESSIONAL LTD

Opinion

We have audited the financial statements of Catering Equipment Professional Ltd (the 'company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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).

In our opinion, 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 year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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 opinion.

Emphasis of matter – Non-going concern basis of accounting

We draw attention to the accounting policies in Note 1 which describes the preparation of the financial statements on a non-going concern basis. As described in the accounting policies, the trade, assets and liabilities of the company were transferred to another group company post year end and the directors have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis.

There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting.

Our opinion is not modified in respect of this matter.

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 directors are 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATERING EQUIPMENT PROFESSIONAL LTD (CONTINUED)

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 and the directors' 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 returns; or
- certain disclosures of directors' 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 directors' responsibilities statement set out on page 3, the directors are 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 directors determine 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Anthony Steiner FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Bluebell House
Brian Johnson Way
Preston
Lancashire, PR2 5PE

19.9.19

CATERING EQUIPMENT PROFESSIONAL LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

		Year ended 31 December 2018 £	11 month period ended 31 December 2017 £
	Notes		
Turnover	3	607,496	793,850
Cost of sales		(490,337)	(658,714)
Gross profit		117,159	135,136
Distribution costs		(13,336)	(21,086)
Administrative expenses		(110,726)	(163,846)
Other operating income		-	32,789
Operating loss	6	(6,903)	(17,007)
Interest receivable and similar income	8	-	18
Interest payable and similar expenses	9	-	(105)
Loss before taxation		(6,903)	(17,094)
Tax on loss	10	-	3,120
Loss for the financial year		(6,903)	(13,974)

All activities were discontinued.

CATERING EQUIPMENT PROFESSIONAL LTD**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2018**

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	11		-		23,957
Current assets					
Debtors	12	42,300		144,130	
Cash at bank and in hand		121,257		24,251	
		163,557		168,381	
Creditors: amounts falling due within one year	13	(115,782)		(137,660)	
Net current assets			47,775		30,721
Total assets less current liabilities			47,775		54,678
Capital and reserves					
Called up share capital	15		100		100
Profit and loss reserves	16		47,675		54,578
Total equity			47,775		54,678

The financial statements were approved by the board of directors and authorised for issue on 18/19/19 and are signed on its behalf by:



Mr C Allen
Director

CATERING EQUIPMENT PROFESSIONAL LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 February 2017	100	68,552	68,652
Period ended 31 December 2017:			
Loss and total comprehensive income for the period	-	(13,974)	(13,974)
Balance at 31 December 2017	100	54,578	54,678
Period ended 31 December 2018:			
Loss and total comprehensive income for the period	-	(6,903)	(6,903)
Balance at 31 December 2018	100	47,675	47,775

CATERING EQUIPMENT PROFESSIONAL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Catering Equipment Professional Ltd is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 8 Manchester Square, London, England and Wales, W1U 3PH.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Pentland Group Plc. These consolidated financial statements are available from its registered office, 8 Manchester Square, London, W1U 3PH.

Non-going concern basis of preparation

On 01/01/2019 the trade, assets and liabilities of the company were transferred out to another group company. As a result these financial statements have been drawn up on a basis other than going concern due to the cessation of trade post year end. No adjustments arise as a result of applying the non-going concern basis.

Reporting period

The financial statements presented are not entirely comparable, due to the prior period financial statements being presented for a period of less than one year. The prior period financial statements were presented for a period of less than one year so to bring the accounting reference date in line with that of other group companies.

CATERING EQUIPMENT PROFESSIONAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Motor vehicles	25% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks.

CATERING EQUIPMENT PROFESSIONAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

CATERING EQUIPMENT PROFESSIONAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

CATERING EQUIPMENT PROFESSIONAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There were no significant areas of judgement or estimation uncertainty.

3 Turnover and other revenue

	2018 £	2017 £
Turnover analysed by class of business		
Sale of goods	607,496	793,850
	<u> </u>	<u> </u>
	2018 £	2017 £
Other revenue		
Interest income	-	18
	<u> </u>	<u> </u>
	2018 £	2017 £
Turnover analysed by geographical market		
United Kingdom	607,496	793,850
	<u> </u>	<u> </u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018 Number	2017 Number
Management	1	1
Sales	1	1
	<u> </u>	<u> </u>
	2	2
	<u> </u>	<u> </u>

CATERING EQUIPMENT PROFESSIONAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

4 Employees (Continued)

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	47,732	48,901
Social security costs	4,864	3,168
Pension costs	1,687	6,980
	<u>54,283</u>	<u>59,049</u>

5 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	-	5,502
Company pension contributions to defined contribution schemes	-	6,231
	<u>-</u>	<u>11,733</u>

For the entirety of the current year the directors' of the company have been remunerated from other group companies.

6 Operating loss

	2018 £	2017 £
Operating loss for the period is stated after charging:		
Depreciation of owned tangible fixed assets	3,125	1,042
Loss on disposal of tangible fixed assets	2,833	18,007
Cost of stocks recognised as an expense	469,652	618,266
	<u>475,610</u>	<u>637,315</u>

7 Auditor's remuneration

	2018 £	2017 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the company	<u>1,860</u>	<u>1,200</u>

The audit fee in the current year is being borne by the parent company.

8 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Interest on bank deposits	<u>-</u>	<u>18</u>

CATERING EQUIPMENT PROFESSIONAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

9 Interest payable and similar expenses

	2018	2017
	£	£
Interest on bank overdrafts and loans	-	105

10 Taxation

	2018	2017
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(3,120)

The total tax charge/(credit) for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2018	2017
	£	£
Loss before taxation	(6,903)	(17,094)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2017: 0%)	(1,312)	-
Tax effect of expenses that are not deductible in determining taxable profit	126	-
Deferred tax adjustments in respect of prior years	-	(3,120)
Deferred tax not recognised	1,061	-
Adjust deferred tax to closing rate	125	-
Taxation charge/(credit) for the period	-	(3,120)

The Chancellor stated his intention to reduce the main rate of corporation tax 19% to 17% from 1 April 2020. This change was enacted on 6 September 2016.

Deferred tax on losses of £12,667 have not been recognised.

CATERING EQUIPMENT PROFESSIONAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

11 Tangible fixed assets

	Motor vehicles £
Cost	
At 1 January 2018	24,999
Disposals	(24,999)
At 31 December 2018	-
Depreciation and impairment	
At 1 January 2018	1,042
Depreciation charged in the year	3,125
Eliminated in respect of disposals	(4,167)
At 31 December 2018	-
Carrying amount	
At 31 December 2018	-
At 31 December 2017	23,957

12 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	42,300	137,509
Prepayments and accrued income	-	6,621
	42,300	144,130

13 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	215	65,878
Amounts due to group undertakings	96,676	20,268
Other taxation and social security	18,891	40,678
Accruals and deferred income	-	10,836
	115,782	137,660

CATERING EQUIPMENT PROFESSIONAL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

14 Retirement benefit schemes

	2018	2017
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	1,687	6,980

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

16 Reserves

Profit and loss reserves

The reserve represents cumulative profits and losses net of distributions to owners.

17 Financial commitments, guarantees and contingent liabilities

The company has a limited guarantee, dated 23 March 2009, in favour of Mr David Martin Jones for £26,500.

18 Related party transactions

The company has taken advantage of the disclosure exemption relating to section 33.1A of the standard with regards to the requirement of disclosing transactions with fellow group companies.

19 Controlling party

The directors consider the immediate parent undertaking to be Pentland Wholesale Limited, a company incorporated in the UK.

The directors consider the ultimate parent undertaking to be Pentland Group Plc, a company incorporated in the UK.

Pentland Group Plc is the most senior undertaking that prepares group accounts including the financial statements of the company. The consolidated financial statements of Pentland Group Plc can be obtained from its registered office, 8 Manchester Square, London, W1U 3PH.

The ultimate controlling party is Mr R S Rubin and his close family.