

SWIFT INDUSTRIAL SUPPLIES LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2017



SWIFT INDUSTRIAL SUPPLIES LTD
REGISTERED NUMBER: 06863317

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	237,130	356,458
Current assets			
Stocks	5	1,792,283	1,309,973
Debtors	6	2,459,944	2,305,901
Cash at bank and in hand		451,449	1,164,679
		<u>4,703,676</u>	<u>4,780,553</u>
Creditors: amounts falling due within one year	7	(1,391,486)	(1,464,937)
Net current assets		<u>3,312,190</u>	<u>3,315,616</u>
Total assets less current liabilities		<u>3,549,320</u>	<u>3,672,074</u>
Creditors: amounts falling due after more than one year	8	(45,406)	(76,180)
Provisions for liabilities			
Deferred tax	11	(15,899)	(18,219)
Net assets		<u><u>3,488,015</u></u>	<u><u>3,577,675</u></u>
Capital and reserves			
Called up share capital		250	250
Profit and loss account		3,487,765	3,577,425
		<u><u>3,488,015</u></u>	<u><u>3,577,675</u></u>

SWIFT INDUSTRIAL SUPPLIES LTD
REGISTERED NUMBER: 06863317

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2017

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

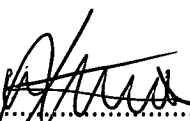
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
V M James
Director

Date: 27.09.18

The notes on pages 3 to 12 form part of these financial statements.

SWIFT INDUSTRIAL SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Swift Industrial Supplies Limited, 06863317, is a private Company limited by shares and incorporated in England. Its registered office is Venture Park, Selborne Road, Alton, Hampshire, GU34 3HL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in GBP rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method and reducing balance methods.

Depreciation is provided on the following basis:

Improvements to Leasehold	- 33% straight line
Plant & machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures & fittings	- 20% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is 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.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash 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 amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2. Accounting policies (continued)

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.14 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

SWIFT INDUSTRIAL SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 48 (2016 - 45).

SWIFT INDUSTRIAL SUPPLIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. Tangible fixed assets

	L/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Office equipment £	Total £
Cost or valuation					
At 1 January 2017	421,767	237,776	159,284	201,669	1,020,496
Additions	4,385	28,756	21,265	6,768	61,174
Disposals	-	-	(54,819)	-	(54,819)
At 31 December 2017	<u>426,152</u>	<u>266,532</u>	<u>125,730</u>	<u>208,437</u>	<u>1,026,851</u>
Depreciation					
At 1 January 2017	260,418	183,578	70,073	149,968	664,037
Charge for the year on owned assets	97,840	18,167	33,016	15,111	164,134
Disposals	-	-	(38,450)	-	(38,450)
At 31 December 2017	<u>358,258</u>	<u>201,745</u>	<u>64,639</u>	<u>165,079</u>	<u>789,721</u>
Net book value					
At 31 December 2017	<u>67,894</u>	<u>64,787</u>	<u>61,091</u>	<u>43,358</u>	<u>237,130</u>
At 31 December 2016	<u>161,349</u>	<u>54,198</u>	<u>89,211</u>	<u>51,700</u>	<u>356,458</u>

SWIFT INDUSTRIAL SUPPLIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Motor vehicles	43,122	83,192

5. Stocks

	2017 £	2016 £
Finished goods and goods for resale	1,792,283	1,309,973
	1,792,283	1,309,973

6. Debtors

	2017 £	2016 £
Trade debtors	1,670,956	1,619,955
Amounts owed by related entities	764,970	568,975
Other debtors	-	64,039
Prepayments and accrued income	24,018	52,931
	2,459,944	2,305,900

SWIFT INDUSTRIAL SUPPLIES LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	30,890	29,978
Trade creditors	1,000,655	822,148
Corporation tax	78,925	258,342
Other taxation and social security	240,435	237,581
Obligations under finance lease and hire purchase contracts	16,926	25,000
Other creditors	1,178	25,312
Accruals and deferred income	22,477	66,576
	<u>1,391,486</u>	<u>1,464,937</u>

8. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	31,734	62,624
Net obligations under finance leases and hire purchase contracts	13,672	13,556
	<u>45,406</u>	<u>76,180</u>

The bank Loan is secured by the way of First Legal Mortgage over the property of Paul David James and Catharina Susan James known as Whitehouse Farm Buildings and Land and Adjoining Millstone Park, Selbourne Road, Alton, Hampshire.

The Loan is being repaid by monthly repayments of £2,696, inclusive of interest, commencing one month after drawing.

Interest on the Loan will be charged at 2.5% per annum over the Bank of England Base Rate as published.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Bank loans	30,890	29,978
Amounts falling due 1-2 years		
Bank loans	31,734	30,890
Amounts falling due 2-5 years		
Bank loans	-	31,734
	<u>62,624</u>	<u>92,602</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	16,926	25,000
Between 1-5 years	13,672	13,556
	<u>-</u>	<u>-</u>
	<u>30,598</u>	<u>38,556</u>

11. Deferred taxation

	2017 £	2016 £
At beginning of year	(18,219)	(20,164)
Charged to other comprehensive income	2,320	1,945
At end of year	<u>(15,899)</u>	<u>(18,219)</u>

SWIFT INDUSTRIAL SUPPLIES LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

11. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(16,311)	(18,219)
Short term timing differences	412	-
	<u>412</u>	<u>-</u>

12. Pension commitments

The Company operates a defined contributions (money purchase) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £29,605 (2016: £29,700). Contributions totalling £Nil (2016: £Nil) were payable to the fund at the balance sheet date.