

KLEIN & SONS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 OCTOBER 2019

KLEIN & SONS LIMITED

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**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED
STATUTORY FINANCIAL STATEMENTS OF KLEIN & SONS LIMITED
FOR THE YEAR ENDED 31 OCTOBER 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Klein & Sons Limited for the year ended 31 October 2019 which comprise the Balance sheet 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 Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made solely to the Board of directors of Klein & Sons Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Klein & Sons Limited and state those matters that we have agreed to state to the Board of directors of Klein & Sons Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Klein & Sons Limited and its Board of directors, as a body, for our work or for this report.

It is your duty to ensure that Klein & Sons 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 Klein & Sons Limited. You consider that Klein & Sons 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 Klein & Sons 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.

BAGINSKY COHEN
930 HIGH ROAD
LONDON
N12 9RT
30 October 2020

BALANCE SHEET
AS AT 31 OCTOBER 2019

	Note	2019 £	2019 £	2018 £	2018 £
FIXED ASSETS					
Tangible assets	5		10,091		9,607
CURRENT ASSETS					
Debtors: amounts falling due within one year	6	136,246		175,108	
Cash at bank and in hand	7	2,927		2,548	
		<u>139,173</u>		<u>177,656</u>	
Creditors: amounts falling due within one year	8	(56,618)		(73,771)	
NET CURRENT ASSETS			82,555		103,885
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>92,646</u>		<u>113,492</u>
Creditors: amounts falling due after more than one year	9		(1,117)		(28,335)
PROVISIONS FOR LIABILITIES					
Deferred tax		(1,362)		(1,362)	
			<u>(1,362)</u>		<u>(1,362)</u>
NET ASSETS			<u><u>90,167</u></u>		<u><u>83,795</u></u>
CAPITAL AND RESERVES					
Called up share capital	10		112		112
Share premium account	11		79,988		79,988
Profit and loss account	11		10,067		3,695
			<u><u>90,167</u></u>		<u><u>83,795</u></u>

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 the 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 comprehensive income 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 on 30 October 2020.

KLEIN & SONS LIMITED
REGISTERED NUMBER: 07404886

BALANCE SHEET (CONTINUED)
AS AT 31 OCTOBER 2019

A. B. KLEIN
Director

The notes on pages 4 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

1. ACCOUNTING POLICIES

1.1 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

1.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

1.3 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

1.4 Operating leases

Rentals paid under operating leases are charged to profit or loss 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Leasing and hire purchase

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 profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

1.7 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

1.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet 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 Balance sheet 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 balance sheet date.

1.9 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 OCTOBER 2019**

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Motor vehicles	-	25%
Fixtures and fittings	-	25%
Computer equipment	-	25%

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 profit or loss.

1.10 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.

1.11 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.

1.12 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.

1.13 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.

1.14 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 OCTOBER 2019**

2.

JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, management is required to make judgments, estimated and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimate and underlying 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. **OPERATING PROFIT**

The operating profit is stated after charging:

	2019 £	2018 £
Exchange differences	(699)	(2,541)
Other operating lease rentals	<u>11,794</u>	<u>10,440</u>

4. **EMPLOYEES**

The average monthly number of employees, including directors, during the year was 2 (2018 - 2).

5. **TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION			
At 1 November 2018	3,685	32,881	36,566
Additions	-	484	484
	<u>3,685</u>	<u>33,365</u>	<u>37,050</u>
At 31 October 2019	3,685	33,365	37,050
DEPRECIATION			
At 1 November 2018	2,785	24,174	26,959
	<u>2,785</u>	<u>24,174</u>	<u>26,959</u>
At 31 October 2019	2,785	24,174	26,959
NET BOOK VALUE			
At 31 October 2019	<u>900</u>	<u>9,191</u>	<u>10,091</u>
At 31 October 2018	<u>900</u>	<u>8,707</u>	<u>9,607</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

6. DEBTORS

	2019 £	2018 £
Trade debtors	11,514	68,594
Other debtors	124,732	106,514
	<u>136,246</u>	<u>175,108</u>

7. CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at bank and in hand	<u>2,927</u>	<u>2,548</u>

8. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Other loans	20,004	20,004
Trade creditors	12,565	33,965
Corporation tax	18,175	9,061
Other taxation and social security	1,874	1,253
Obligations under finance lease and hire purchase contracts	-	143
Other creditors	-	4,575
Accruals and deferred income	4,000	4,770
	<u>56,618</u>	<u>73,771</u>

9. CREDITORS: Amounts falling due after more than one year

	2019 £	2018 £
Other loans	<u>1,117</u>	<u>28,335</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

10. SHARE CAPITAL

	2019 £	2018 £
Allotted, called up and fully paid		
112 (2018 - 112) Ordinary shares of £1.00 each	<u>112</u>	<u>112</u>

11. RESERVES

Share premium account

This includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

This includes all current and prior period retained profits and losses.

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.