

Koro (Stokesley) Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2018

TEAM Accountancy Solutions Limited

Hexham Villa

Egton Terrace

Birtley

Co. Durham

DH3 1LX

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory
Accounts of
Koro (Stokesley) Limited
for the Year Ended 31 December 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Koro (Stokesley) Limited for the year ended 31 December 2018 as set out on pages 2 to 7 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Chartered Institute of Management Accountants (CIMA), we are subject to its ethical and other professional requirements which are detailed on their website at www.cimaglobal.com/members/members-handbook.

This report is made solely to the Board of Directors of Koro (Stokesley) 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 accounts of Koro (Stokesley) Limited and state those matters that we have agreed to state to the Board of Directors of Koro (Stokesley) Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Koro (Stokesley) Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Koro (Stokesley) Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Koro (Stokesley) Limited. You consider that Koro (Stokesley) 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 accounts of Koro (Stokesley) 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 accounts.

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TEAM Accountancy Solutions Limited
Hexham Villa
Egton Terrace
Birtley
Co. Durham
DH3 1LX

14 August 2019

Koro (Stokesley) Limited

(Registration number: 08074305)

Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	<u>5</u>	7,093	6,827
Current assets			
Stocks		22,081	15,574
Debtors		26,722	6,051
Cash at bank and in hand		<u>36,463</u>	<u>28,092</u>
		85,266	49,717
Creditors: Amounts falling due within one year		<u>(69,507)</u>	<u>(34,376)</u>
Net current assets		<u>15,759</u>	<u>15,341</u>
Net assets		<u>22,852</u>	<u>22,168</u>
Capital and reserves			
Called up share capital	<u>6</u>	1	1
Profit and loss account		<u>22,851</u>	<u>22,167</u>
Total equity		<u>22,852</u>	<u>22,168</u>

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 14 August 2019

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Mrs M Thompson
Director

The notes on pages 3 to 7 form an integral part of these financial statements.

Koro (Stokesley) Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Hexham Villa
Egton Terrace
Birtley
Co. Durham
DH3 1LX
United Kingdom

The principal place of business is:

36 High Street
Stokesley
North Yorkshire
TS9 5DQ
United Kingdom

These financial statements were authorised for issue by the director on 14 August 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Koro (Stokesley) Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% reducing balance
Office equipment	25% reducing balance

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	5 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Koro (Stokesley) Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 4 (2017 - 3).

Koro (Stokesley) Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 January 2018	5,000	5,000
Disposals	(5,000)	(5,000)
At 31 December 2018	-	-
Amortisation		
At 1 January 2018	5,000	5,000
Amortisation eliminated on disposals	(5,000)	(5,000)
At 31 December 2018	-	-
Carrying amount		
At 31 December 2018	-	-

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2017 - £Nil).

5 Tangible assets

	Furniture, fittings and equipment £	Other tangible assets £	Total £
Cost or valuation			
At 1 January 2018	11,128	4,818	15,946
Additions	1,944	205	2,149
At 31 December 2018	13,072	5,023	18,095
Depreciation			
At 1 January 2018	7,056	2,063	9,119
Charge for the year	1,189	694	1,883
At 31 December 2018	8,245	2,757	11,002
Carrying amount			
At 31 December 2018	4,827	2,266	7,093
At 31 December 2017	4,072	2,755	6,827

6 Share capital

Allotted, called up and fully paid shares

Koro (Stokesley) Limited

Notes to the Financial Statements for the Year Ended 31 December 2018

	2018		2017	
	No.	£	No.	£
Ordinary share of £1 each	1	1	1	1

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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.