

FHS Stockton Ltd

Annual Report and Unaudited Abridged Financial Statements
for the Period from 1 November 2016 to 30 June 2017

Switch Accountants
Kingfisher House
St. Johns Road
Meadowfield Industrial Estate
Durham
County Durham
DH7 8TZ

FHS Stockton Ltd

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FHS Stockton Ltd

Company Information

Directors Mr John Savage
Mr Stuart Lavelle

Company secretary Mr John Savage

Registered office Unit 2 Ninth Avenue
Team Valley Trading Estate
Gateshead
Tyne And Wear
NE11 0EH

Accountants Switch Accountants
Kingfisher House
St. Johns Road
Meadowfield Industrial Estate
Durham
County Durham
DH7 8TZ

FHS Stockton Ltd

Directors' Report for the Period from 1 November 2016 to 30 June 2017

The directors present their report and the abridged financial statements for the period from 1 November 2016 to 30 June 2017.

Directors of the company

The directors who held office during the period were as follows:

Mr John Savage - Company secretary and director

Mr Stuart Lavelle

Principal activity

The principal activity of the company is wholesale of hardware, plumbing and heating equipment and supplies

Small companies provision statement

This report has 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.

Approved by the Board on 12 January 2018 and signed on its behalf by:

.....
Mr John Savage
Company secretary and director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited
Statutory Accounts of
FHS Stockton Ltd
for the Period Ended 30 June 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of FHS Stockton Ltd for the period ended 30 June 2017 as set out on pages 4 to 12 from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of FHS Stockton Ltd, 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 FHS Stockton Ltd and state those matters that we have agreed to state to the Board of Directors of FHS Stockton Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than FHS Stockton Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that FHS Stockton Ltd 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 FHS Stockton Ltd. You consider that FHS Stockton Ltd is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the accounts of FHS Stockton Ltd. 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.

.....
Switch Accountants
Kingfisher House
St. Johns Road
Meadowfield Industrial Estate
Durham
County Durham
DH7 8TZ

12 January 2018

FHS Stockton Ltd

Abridged Profit and Loss Account for the Period from 1 November 2016 to 30 June 2017

| | Note | Total 30 June 2017 £ | Total 31 October 2016 £ |
|--|-------------|---|--|
| Gross profit | | 89,389 | 55,557 |
| Administrative expenses | | (66,533) | (63,309) |
| Interest payable and similar expenses | | <u>(1,941)</u> | <u>-</u> |
| Profit/(loss) before tax | <u>4</u> | 20,915 | (7,752) |
| Taxation | | <u>(2,637)</u> | <u>-</u> |
| Profit/(loss) for the financial period | | <u><u>18,278</u></u> | <u><u>(7,752)</u></u> |

The above results were derived from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

The notes on pages 9 to 12 form an integral part of these abridged financial statements.

FHS Stockton Ltd

Statement of Comprehensive Income for the Period from 1 November 2016 to 30 June 2017

| | Note | 2017 £ | 2016 £ |
|---|------|----------------------|-----------------------|
| Profit/(loss) for the period | | <u>18,278</u> | <u>(7,752)</u> |
| Total comprehensive income for the period | | <u><u>18,278</u></u> | <u><u>(7,752)</u></u> |

The notes on pages 9 to 12 form an integral part of these abridged financial statements.

FHS Stockton Ltd

(Registration number: 09812660)

Abridged Balance Sheet as at 30 June 2017

| | Note | 2017 £ | 2016 £ |
|--|----------|-----------|-----------|
| Fixed assets | | | |
| Tangible assets | <u>5</u> | 1,410 | 1,579 |
| Current assets | | | |
| Stocks | <u>6</u> | 47,261 | 30,337 |
| Debtors | | 71,298 | 151,246 |
| Cash at bank and in hand | | 12,829 | 11,334 |
| | | 131,388 | 192,917 |
| Creditors: Amounts falling due within one year | | (94,355) | (193,481) |
| Net current assets/(liabilities) | | 37,033 | (564) |
| Total assets less current liabilities | | 38,443 | 1,015 |
| Creditors: Amounts falling due after more than one year | | (20,500) | (30,000) |
| Accruals and deferred income | | - | (1,200) |
| Net assets/(liabilities) | | 17,943 | (30,185) |
| Capital and reserves | | | |
| Called up share capital | | 1,000 | 1,000 |
| Share premium reserve | | 29,850 | - |
| Profit and loss account | | (12,907) | (31,185) |
| Total equity | | 17,943 | (30,185) |

For the financial period ending 30 June 2017 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 accounts for the period in question in accordance with section 476; and
- The directors acknowledge their 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.

All of the company's members have consented to the preparation of an Abridged Profit and Loss Account and an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

The notes on pages 9 to 12 form an integral part of these abridged financial statements.

FHS Stockton Ltd

(Registration number: 09812660)

Abridged Balance Sheet as at 30 June 2017

Approved and authorised by the Board on 12 January 2018 and signed on its behalf by:

.....

Mr John Savage

Company secretary and director

The notes on pages 9 to 12 form an integral part of these abridged financial statements.

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FHS Stockton Ltd

Statement of Changes in Equity for the Period from 1 November 2016 to 30 June 2017

| | Share capital £ | Share premium £ | Profit and loss account £ | Total £ |
|------------------------------|--------------------|--------------------|---------------------------------|------------|
| At 1 November 2016 | 1,000 | - | (31,185) | (30,185) |
| Profit for the period | - | - | 18,278 | 18,278 |
| Total comprehensive income | - | - | 18,278 | 18,278 |
| New share capital subscribed | - | 29,850 | - | 29,850 |
| At 30 June 2017 | 1,000 | 29,850 | (12,907) | 17,943 |

| | Share capital £ | Profit and loss account £ | Total £ |
|------------------------------|--------------------|---------------------------------|------------|
| Loss for the period | - | (7,752) | (7,752) |
| Total comprehensive income | - | (7,752) | (7,752) |
| Dividends | - | (23,433) | (23,433) |
| New share capital subscribed | 1,000 | - | 1,000 |
| At 31 October 2016 | 1,000 | (31,185) | (30,185) |

The notes on pages 9 to 12 form an integral part of these abridged financial statements.

FHS Stockton Ltd

Notes to the Abridged Financial Statements for the Period from 1 November 2016 to 30 June 2017

1 General information

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:

Unit 2 Ninth Avenue
Team Valley Trading Estate
Gateshead
Tyne And Wear
NE11 0EH
England

These financial statements were authorised for issue by the Board on 12 January 2018.

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 abridged financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These abridged 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.

FHS Stockton Ltd

Notes to the Abridged Financial Statements for the Period from 1 November 2016 to 30 June 2017

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 |
|--------------------|-------------------------------------|
| Plant & machinery | 25% reducing balance |
| Office Equipment | 33% reducing balance |

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.

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.

FHS Stockton Ltd

Notes to the Abridged Financial Statements for the Period from 1 November 2016 to 30 June 2017

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.

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 2 (2016 - 2).

4 Profit/loss before tax

Arrived at after charging/(crediting)

| | 2017 | 2016 |
|----------------------|-------------|-------------|
| | £ | £ |
| Depreciation expense | <u>584</u> | <u>631</u> |

FHS Stockton Ltd

Notes to the Abridged Financial Statements for the Period from 1 November 2016 to 30 June 2017

5 Tangible assets

| | Total £ |
|--------------------------|--------------------|
| Cost or valuation | |
| At 1 November 2016 | 2,210 |
| Additions | 415 |
| | <hr/> |
| At 30 June 2017 | 2,625 |
| | <hr/> |
| Depreciation | |
| At 1 November 2016 | 631 |
| Charge for the period | 584 |
| | <hr/> |
| At 30 June 2017 | 1,215 |
| | <hr/> |
| Carrying amount | |
| At 30 June 2017 | 1,410 |
| | <hr/> |
| At 31 October 2016 | 1,579 |
| | <hr/> |

6 Stocks

| | 2017 £ | 2016 £ |
|-------------------|-------------------|-------------------|
| Other inventories | 47,261 | 30,337 |
| | <hr/> | <hr/> |

7 Dividends

Final dividends paid

| | 2017 £ | 2016 £ |
|---|-------------------|-------------------|
| Final dividend of £0 (2016 - £23,433) per each Ordinary share | - | 23,433 |
| | <hr/> | <hr/> |

FHS Stockton Ltd

Detailed Profit and Loss Account for the Period from 1 November 2016 to 30 June 2017

| | 2017 £ | 2016 £ |
|--|----------------------|-----------------------|
| Turnover (analysed below) | 784,864 | 575,885 |
| Cost of sales (analysed below) | <u>(695,475)</u> | <u>(520,328)</u> |
| Gross profit | <u>89,389</u> | <u>55,557</u> |
| Gross profit (%) | 11.39% | 9.65% |
| Administrative expenses | | |
| Employment costs (analysed below) | (23,859) | (27,028) |
| Establishment costs (analysed below) | (11,305) | (10,331) |
| General administrative expenses (analysed below) | (25,632) | (23,862) |
| Finance charges (analysed below) | (5,153) | (1,457) |
| Depreciation costs (analysed below) | <u>(584)</u> | <u>(631)</u> |
| | <u>(66,533)</u> | <u>(63,309)</u> |
| Operating profit/(loss) | 22,856 | (7,752) |
| Interest payable and similar expenses (analysed below) | <u>(1,941)</u> | <u>-</u> |
| Profit/(loss) before tax | <u><u>20,915</u></u> | <u><u>(7,752)</u></u> |

This page does not form part of the statutory financial statements.

FHS Stockton Ltd

Detailed Profit and Loss Account for the Period from 1 November 2016 to 30 June 2017

| | 2017 £ | 2016 £ |
|--|-----------|-----------|
| Turnover | | |
| Sale of goods, UK | 784,864 | 575,885 |
| Cost of sales | | |
| Opening finished goods | (30,337) | - |
| Purchases | (712,399) | (550,665) |
| Closing finished goods | 47,261 | 30,337 |
| | (695,475) | (520,328) |
| Employment costs | | |
| Wages and salaries (excluding directors) | (21,866) | (16,526) |
| Staff NIC (Employers) | (1,993) | (1,545) |
| Directors remuneration | - | (8,957) |
| | (23,859) | (27,028) |
| Establishment costs | | |
| Rent and rates | (9,171) | (5,322) |
| Light, heat and power | (1,260) | (1,103) |
| Insurance | (463) | (163) |
| Repairs and maintenance | (411) | (3,743) |
| | (11,305) | (10,331) |
| General administrative expenses | | |
| Telephone and fax | (3,225) | (4,009) |
| Computer software and maintenance costs | (3,892) | (6,169) |
| Printing, postage and stationery | (1,477) | (474) |
| Sundry expenses | (26) | (1,747) |
| Cleaning | (599) | (1,109) |
| Motor expenses | (5,574) | (3,587) |
| Car hire (Operating leases) | (2,371) | (2,857) |
| Advertising | (2,329) | (1,120) |
| Customer entertaining (disallowable for tax) | (645) | (108) |
| Accountancy fees | (5,494) | (1,344) |
| Legal and professional fees | - | (1,338) |
| | (25,632) | (23,862) |

Finance charges

| | | |
|--------------|----------------|----------------|
| Bank charges | <u>(5,153)</u> | <u>(1,457)</u> |
|--------------|----------------|----------------|

This page does not form part of the statutory financial statements.
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FHS Stockton Ltd

Detailed Profit and Loss Account for the Period from 1 November 2016 to 30 June 2017

Depreciation costs

| | | |
|---|--------------|--------------|
| Depreciation of plant and machinery (owned) | (233) | (310) |
| Depreciation of office equipment (owned) | <u>(351)</u> | <u>(321)</u> |
| | <u>(584)</u> | <u>(631)</u> |

Interest payable and similar expenses

| | | |
|---------------------|----------------|----------|
| Other loan interest | <u>(1,941)</u> | <u>-</u> |
|---------------------|----------------|----------|

This page does not form part of the statutory financial statements.
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