

Registration number: 01104053

# **Able-Direct Centre Limited**

## **Annual Report and Unaudited Financial Statements**

for the Year Ended 30 June 2020



# Able-Direct Centre Limited

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## Company information

**Directors** R A H Wainright-Lee  
W P Rollason

**Registered number** 01104053

**Registered office** 5 Mallard Close  
Earls Barton  
Northampton  
Northamptonshire  
NN6 0LS

**Accountants** Ernst & Young LLP  
Bedford House  
16 Bedford Street  
Belfast  
BT2 7DT

# Able-Direct Centre Limited

## Balance Sheet

as at 30 June 2020

Registered number: 01104053

	Note	2020 £	2019* £
<b>Fixed assets</b>			
Intangible assets	4	-	6,016
Tangible assets	5	<u>136,897</u>	<u>134,833</u>
		<u>136,897</u>	<u>140,849</u>
<b>Current assets</b>			
Stocks	6	59,503	67,087
Debtors	7	249,516	275,966
Cash at bank and in hand		<u>72,797</u>	<u>4,691</u>
		381,816	347,744
<b>Creditors: Amounts falling due within one year*</b>	8	<u>(1,381,485)</u>	<u>(1,352,033)</u>
<b>Net current liabilities</b>		<u>(999,669)</u>	<u>(1,004,289)</u>
<b>Total assets less current liabilities</b>		(862,772)	(863,440)
<b>Creditors: Amounts falling due after more than one year*</b>	8	<u>(121,312)</u>	<u>(142,554)</u>
<b>Net liabilities</b>		<u>(984,084)</u>	<u>(1,005,994)</u>
<b>Capital and reserves</b>			
Called up share capital	10	71,000	71,000
Share premium reserve		14,310	14,310
Capital redemption reserve		100	100
Profit and loss account		<u>(1,069,494)</u>	<u>(1,091,404)</u>
<b>Total equity</b>		<u>(984,084)</u>	<u>(1,005,994)</u>

\*: Prior year reclassification, see note 8 for details.

The notes on pages 4 to 12 form an integral part of these financial statements.

# Able-Direct Centre Limited

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## Balance Sheet

as at 30 June 2020

Registered number: 01104053

For the financial year ending 30 June 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

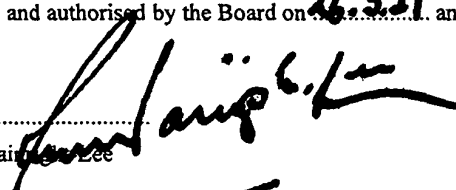
### Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year 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 and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the requirements of FRS 102 'Section 1A The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Board on **26.3.21** and signed on its behalf by:

  
.....  
R A H Wainwright  
Director

The notes on pages 4 to 12 form an integral part of these financial statements.

## Notes to the Financial Statements

for the Year Ended 30 June 2020

### 1 General information

The company is a private company limited by shares, incorporated in the United Kingdom. The principal activity of the company is that of the printing of labels and other promotional products within the direct marketing industry and retail market. The company registration number is 01104053.

The address of its registered office is:

5 Mallard Close  
Earls Barton  
Northampton  
NN6 0LS  
United Kingdom

### 2 Accounting policies

#### **Statement of compliance**

These financial statements were 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.

The presentation and functional currency of the financial statements is Pounds Sterling (£) and amounts are rounded to the nearest Pound.

#### **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.

#### **Going concern**

The directors have carefully considered the trading performance of the business. They have concluded that given the profitable trading of the business for the 6 months to end December 2020 combined with their undertaking that the directors' loan accounts will be subordinated to other creditors, the accounts may be prepared on a going concern basis.

#### **Turnover**

Turnover comprises revenue recognised by the company in respect of the sale of such goods outlined in the company's principal activities during the year, exclusive of Value Added Tax and trade discounts.

Turnover is recognised upon delivery of these goods to the customer.

## Notes to the Financial Statements

for the Year Ended 30 June 2020

### 2 Accounting policies (continued)

#### **Intangible assets**

Intangible fixed assets represent the cost of developing the website through which the company generates its income. The cost of the website is amortised to the Profit and loss account over its useful economic life of five years.

#### **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 over their estimated useful lives, as follows:

<i>Asset class</i>	<i>Depreciation method and rate</i>
Plant and machinery	straight line over 4 years
Fixtures and fittings	straight line over 4 years
Computer equipment	straight line over 3 years

#### **Current and deferred taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

# Able-Direct Centre Limited

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## Notes to the Financial Statements

for the Year Ended 30 June 2020

### 2 Accounting policies (continued)

#### **Leases**

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 arrangements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant rate of charge on the net obligation outstanding in each period.

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stock.

#### **Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred.

#### **Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

### 3 Staff numbers

	2020	2019
Average number of employees	<u>25</u>	<u>26</u>

# Able-Direct Centre Limited

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## Notes to the Financial Statements

for the Year Ended 30 June 2020

### 4 Intangible assets

	<i>Website</i> £
<b>Cost</b>	
At 1 July 2019	30,000
At 30 June 2020	30,000
<b>Amortisation</b>	
At 1 July 2019	23,984
Amortisation charge	6,016
At 30 June 2020	30,000
<b>Carrying amount</b>	
At 30 June 2020	-
At 30 June 2019	6,016



# Able-Direct Centre Limited

## Notes to the Financial Statements

for the Year Ended 30 June 2020

### 5 Tangible assets

	<i>Furniture, fittings and equipment</i> £	<i>Plant and machinery</i> £	<i>Computer equipment</i> £	<i>Total</i> £
<b>Cost</b>				
At 1 July 2019	138,408	781,484	342,342	1,262,234
Additions	-	51,999	5,707	57,706
At 30 June 2020	138,408	833,483	348,049	1,319,940
<b>Depreciation</b>				
At 1 July 2019	135,217	653,076	339,108	1,127,401
Charge for the year	1,512	51,319	2,811	55,642
At 30 June 2020	136,729	704,395	341,919	1,183,043
<b>Carrying amount</b>				
At 30 June 2020	1,679	129,088	6,130	136,897
At 30 June 2019	3,191	128,408	3,234	134,833

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

	2020 £	2019 £
Plant and machinery	71,307	115,595

# Able-Direct Centre Limited

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## Notes to the Financial Statements

for the Year Ended 30 June 2020

### 5 Tangible assets (continued)

#### Revaluation

The fair value of the company's plant and machinery was revalued on 30 April 2011 by the company's former director. There is no difference in the current or prior year between the carrying value of this class of asset.

The split of the assets valued at historical cost and valuation is detailed below:

	2020 £	2019 £
<b>Plant and machinery:</b>		
At cost	-	577,843
At valuation	-	203,640
	<u>-</u>	<u>781,483</u>

The revaluation of the company's plant and machinery did not take place in the year ended 30 June 2020.

### 6 Stocks

	2020 £	2019 £
Finished goods and goods for resale	<u>59,503</u>	<u>67,087</u>

### 7 Debtors

	Note	2020 £	2019 £
Trade debtors		185,297	96,311
Amounts owed by group undertakings and related parties	11	37,004	31,918
Corporation tax		5,104	123,346
Other debtors		<u>22,111</u>	<u>24,391</u>
		<u>249,516</u>	<u>275,966</u>

Amounts owed by group undertakings are interest free and repayable on demand.

# Able-Direct Centre Limited

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## Notes to the Financial Statements

for the Year Ended 30 June 2020

### 8 Creditors

#### *Amounts falling due within one year*

	Note	2020 £	2019* £
Invoice discounting		-	11,668
Net obligations under finance leases and hire contracts		40,823	2,954
Trade creditors		231,759	184,997
Taxation and social security		69,872	48,843
Directors' loans and other related parties*	11	1,001,864	1,053,489
Other creditors*		37,167	50,082
		<u>1,381,485</u>	<u>1,352,033</u>

\*: The balance of directors' loans and other related parties in the prior year contains amounts which had previously been classified as falling due after more than one year. These have been reclassified to amounts falling due within one year, as the loans have no payment terms.

Further, the balance of other creditors in the prior year financial statements contained £204,590 which related to directors' loans and other related parties, which has been reclassified accordingly.

The directors have indicated that repayment of their loans will be subordinated to other creditors.

#### *Amounts falling due after more than one year*

	2020 £	2019* £
Government loans	50,090	-
Net obligations under finance leases and hire contracts	<u>71,222</u>	<u>142,554</u>
	<u>121,312</u>	<u>142,554</u>

\*: The balance of directors' loans and other related parties in the prior year financial statements of £848,899 has been reclassified to amounts falling due within one year, as the loans had no payment terms.

The government loans of £50,090 relates to bounce back loans. There is no interest for the first 12 months and thereafter there is a rate of 2.5% per annum. There is no repayment requirement for the first 12 months and then payments are to be made in equal instalments over 5 years.

# Able-Direct Centre Limited

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## Notes to the Financial Statements

for the Year Ended 30 June 2020

### 9 Finance lease commitments

The company had the following future minimum lease payments under non-cancellable finance leases for each of the following periods:

	2020 £	2019 £
Not later than one year	40,823	2,954
Later than one year and not later than five years	<u>71,222</u>	<u>142,554</u>
	<u>112,045</u>	<u>145,508</u>

### 10 Share capital

*Allotted, called up and fully paid shares*

	No.	2020 £	No.	2019 £
1000 Preference shares of £1 each	1,000	1,000	1,000	1,000
70,000 Ordinary A shares of £1 each	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>
	<u>71,000</u>	<u>71,000</u>	<u>71,000</u>	<u>71,000</u>

### 11 Related party transactions

The company has taken advantage of the exemption contained in FRS102 section 33 "Related Party Disclosure" from disclosing transactions with entities which are a wholly owned part of group.

As at 30 June 2020, the company owed Fetch Associates Limited, in which R A H Wainright-Lee is also a director and shareholder, £79,306 (2019 - £41,390), which is included within directors' loans and other related parties due within one year. This loan is interest free and with no set date for repayment.

As at 30 June 2020, the company owed £874,748 and £47,810 (2019 - £906,512 and £105,587) to directors W P Rollason and R A H Wainright-Lee respectively and these amounts are included within directors' loans and other related parties due within one year.

The company received management charges totalling £6,771 (2019 - £14,008) from Chelsea Fine Stationery Limited during the year, a company in which W P Rollason is also a director and shareholder. The management charges are included in turnover. As at 30 June 2020, the company was owed £nil (2019 - £8,015) by Chelsea Fine Stationery, which is included in amounts owed by group undertakings.

# Able-Direct Centre Limited

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## Notes to the Financial Statements

for the Year Ended 30 June 2020

### 11 Related party transactions (continued)

The company received management charges totalling £27,343 (2019 - £31,402) from Elemental Herbology Limited during the year, a company in which W P Rollason is also a director and shareholder. The management charges are included in turnover. As at 30 June 2020, the company was owed £14,265 (2019 - £11,895) by Elemental Herbology Limited, which is included in amounts owed by group undertakings.

The company received management charges totalling £nil (2019 - £37,159) from Geniegadgets.com Limited during the year, a company in which R A H Wainright-Lee is also a director and shareholder. The management charges are included in turnover.

#### *Directors' remuneration*

The directors' remuneration for the year was as follows:

	2020	2019
	£	£
	-	-

### 12 Ultimate Controlling party

The immediate and ultimate parent company is Able-Direct Northampton Limited which owns 100% of the issued share capital of Able-Direct Centre Limited. Able-Direct Northampton Limited is controlled by W P Rollason, director, who held 58% of the company's ordinary share capital as at 30 June 2020.

### 13 Post balance sheet events

Brexit has impacted the supply chains of the business and mitigating actions have been and continue to be implemented.

The directors continue to review the business regularly so as to identify and react to any material changes in performance or outlook and remain vigilant in these testing times.