KMD Enterprises Ltd

Unaudited Accounts
Registered number 4314857
For the year ended 30 June 2019

Contents

Company information

Registered number	4314857
Registered office	1 Weston Road Crewe Cheshire CW1 6BP
Directors	D Pervez, BA (Hons), FRSA, MA Oxon, Solicitor NJ Khan, FCA
Secretary	D Pervez, BA (Hons), FRSA, MA Oxon, Solicitor

Directors' Report

The Directors' present their annual report and unaudited financial statements for the year ended 30 June 2019.

Principal Activities

The Principal activity of the company is the operation of a chain of retail convenience stores. The company ceased to trade on 7th May 2017.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

D Pervez, BA (Hons), FRSA, MA Oxon, Solicitor (appointed 26th April 2019)
NJ Khan, FCA (appointed 26th April 2019)
D Robinson (resigned 26th April 2019)
M Moran (resigned 1st August 2018)

N J Khan
Director

24 March 2020

Statement of directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- *select suitable accounting policies and then apply them consistently;*
- make judgments and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Other Matters

The directors have considered that the Company is no longer a going concern. As required by the UK accounting standards the directors have prepared these financial statements on the basis other than going concern. There are no material adjustments areas as a result of ceasing to apply the going concern basis.

N J Khan
Director

24 March 2020

Profit and Loss Account

For the year ended 30 June 2019

	Note	2019 £	2018 £
Turnover		-	-
Cost of sales		-	5,017
Gross loss		-	(5,017)
Administrative expenses		-	70,617
Impairment of group loan balance		-	13,500
Loss before taxation		-	(89,134)
Tax on loss		-	-
Loss for the financial year		-	(89,134)

The company ceased to trade on 7th May 2017.

The notes on page 9 form part of these financial statements.

Balance Sheet

As at 30 June 2019

	Note	2019	2018
		£	£
Fixed assets			
Investments	5	1	1
		1	1
Creditors: amounts falling due within one year	6	13,200	13,200
Net current liabilities		(13,200)	(13,200)
Total assets less current liabilities		(13,199)	(13,199)
Net Liabilities		(13,199)	(13,199)
Capital and reserves			
Called up share capital		200	200
Capital redemption reserve		100	100
Profit and loss account		(13,499)	(13,499)
Total shareholders' deficit		(13,199)	(13,199)

For the year ending 30/06/2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary 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;

• 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 were approved by the board of directors and authorised for issue on 24 24 March 2020 and are signed on behalf of the board by:

N J Khan
Director
Registered number: 4314857

Statement of Changes in Equity

	Called up share capital	Capital redemption reserve	Profit and loss account	**Total**
	£	£	£	£
At 1 May 2017	200	100	3,520,245	3,520,545
Loss for the period			(89,134)	(89,134)
Conversion of Debt to Equity			(3,444,610)	(3,444,610)
At 30 June 2018	200	100	(13,499)	(13,199)
Loss for the period			-	-
At 30 June 2019	200	100	(13,499)	(13,199)

Notes to the financial statements

1 Accounting policies

1.1 General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Weston Road, Crewe, Cheshire, England, CW1 6BP.

The Company's ultimate parent undertaking, Bestway (Holdings) Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Bestway (Holdings) Limited are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

1.2 Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

1.3 Accounting policies

Basis of preparation

The Company transferred its trade, assets, and liabilities to a previous fellow subsidiary Bargain Booze Ltd (a company incorporated in England) on 7th May 2017. The company thereafter ceased to trade. As required by the UK accounting standards, the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets were transferred to the parent company at their carrying amounts.

These financial statements are prepared for a period of 12 months ended 30th June 2019 to align the Company's financial year with the group. The comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover recognition

Turnover is recognised under a 5 step approach and only when: a contract with a customer is present, the performance obligations of the sale are clear, the revenue to be received by the company is known net of discounts, the sales price can be attributed to a good or service been sold and control of the item is passed to the customer. This approach leads to turnover recognised for retail sales once the customer has paid for the products at the till.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and reward of ownership to the Company. All other leases are classified as operating leases.

Operating leases

Assets leased under operating leases are not recorded in the Balance sheet. Rental payments are charged directly to the Profit and loss account on a straight line basis over the lease term. Any lease incentives, primarily up-front cash payments or rent-free periods, are capitalised and spread over the period of the lease term.

Finance Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in short term and long term borrowings. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Inventories

Inventories are stated at the lower amount between cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method and includes expenditure incurred in acquiring the inventories, production or conversion cost. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Trade and other creditors

Trade payables are obligations to pay for goods and services which have been acquired in the commercial operations of the Company. Trade payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method.

Financial instruments IFRS 9

IFRS 9 'Financial Instruments' replaces IAS 39 'Recognition and Measurement' and is applicable to financial assets and financial liabilities. Transition to IFRS 9 for the company took place on 30 June 2018 and the entity has adopted the standard using the modified retrospective transition approach, which does not require restatement of prior year comparatives. IFRS 9 introduced three key changes when compared to IAS 39 relating to:
• New requirements for the classification and measurement of financial assets and financial liabilities;
• A new model for recognising provisions for impairment of financial assets based on expected credit losses; and
• Revised hedge accounting treatment by aligning hedge accounting more closely to risk management objectives.

Upon adoption of IFRS 9, there has been no change in the classification of financial assets, the company isn't holding any financial assets and has ceased to trade on 7th May 2017. For financial liabilities, the classification and measurement requirements under IFRS 9 are similar to those under IAS 39. All financial instruments are held at amortised costs which has seen no change in treatment compared to the prior year.

IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 'Revenue from Contracts with Customers' was published in May 2014 and has become effective for the Group from the period beginning 1 July 2018. The standard replaces IAS 18 'Revenue', IAS 11 'Construction contracts' and related interpretations. The business transition to IFRS 15 on 1 July 2018 and the modified retrospective transition approach (which does not require restatement of prior year comparatives) was adopted.

The standard introduces a five-step approach to the timing and recognition of revenue, based on performance obligations in customer contracts. Under IFRS 15, revenue should only be recognised when a customer obtains control of goods or services and has the ability to direct the use and obtain the benefits from the goods or services. It applies to all contracts with customers, except those in the scope of other standards.

These changes in accounting standards (IFRS 9 and IFRS 15) have had no impact on the financial statements as the company ceased to trade on 7th May 2017.

4. Employee numbers

The average number of persons employed by the company during the period amounted to nil (2018: Nil).

5. Investments

	Shares in group undertakings
	£
Cost	
At 1 July 2018 and 30 June 2019	1
Impairment	
At 1 July 2018 and 30 June 2019	-
Carrying amount	
At 30 June 2019	1
At 30 June 2018	1

The company holds 100% of the issued ordinary share capital of Xcel Retail Ltd a company incorporated in England & Wales. The investment is carried at its cost value.

6. Creditors: amounts falling due within one year

	2019	2018
	£	£
Accruals and deferred income	13,200	13,200

7. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	30 Jun 19	30 Jun 18
	£	£
Not later than 1 year	69,000	173,000
Later than 1 year and not later than 5 years	248,267	692,000
Later than 5 years	123,128	851,150

The cost for these leases are been borne and accounted for by another company within the group.

8. Related party transactions

Transactions with wholly owned subsidiaries are not disclosed in accordance with S33.1A of FRS 102.

9. Ultimate parent company and parent company of larger group

The Company's immediate parent undertaking is Ardiles Bidco Limited.

The Company's ultimate parent undertaking is Bestway Holdings Limited, which is incorporated in the United Kingdom.

The largest group in which the results of the Company are consolidated is that headed by Bestway Holdings Limited. The consolidated financial statements of Bestway Group Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.