

AMI Group Ltd

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

AMI Group Ltd

Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u> to <u>3</u>
Notes to the Filleted Financial Statements	<u>4</u> to <u>11</u>

AMI Group Ltd

Company Information

Directors G G Stockton
 J L Stockton
 P J Stockton
 J W Horlock

Company secretary J L Stockton

Registered office 45 City Road
 Chester
 Cheshire
 CH1 3AE

Accountants Shaw Austin Limited
 Chartered Accountants
 45 City Road
 Chester
 Cheshire
 CH1 3AE

AMI Group Ltd

(Registration number: 05663641)

Filleted Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	<u>4</u>	14,912	22,368
Tangible assets	<u>5</u>	557,686	540,676
		<u>572,598</u>	<u>563,044</u>
Current assets			
Stocks	<u>6</u>	45,204	46,024
Debtors	<u>7</u>	136,528	157,216
Cash at bank and in hand		48,011	103,643
		<u>229,743</u>	<u>306,883</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(211,045)</u>	<u>(241,922)</u>
Net current assets		<u>18,698</u>	<u>64,961</u>
Total assets less current liabilities		591,296	628,005
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(487,466)</u>	<u>(563,380)</u>
Provisions for liabilities		<u>(30,441)</u>	<u>(38,807)</u>
Net assets		<u>73,389</u>	<u>25,818</u>
Capital and reserves			
Called up share capital		2,004	2,004
Revaluation reserve		140,872	126,721
Profit and loss account		<u>(69,487)</u>	<u>(102,907)</u>
Total equity		<u>73,389</u>	<u>25,818</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.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements 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 financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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 13 March 2019 and signed on its behalf by:

The notes on pages 4 to 11 form an integral part of these financial statements.

AMI Group Ltd

(Registration number: 05663641)

Filleted Balance Sheet as at 31 December 2018

.....
G G Stockton
Director

.....
P J Stockton
Director

.....
J L Stockton
Company secretary and director

.....
J W Horlock
Director

The notes on pages 4 to 11 form an integral part of these financial statements.

AMI Group Ltd

Notes to the Filleted 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:

45 City Road
Chester
Cheshire
CH1 3AE
United Kingdom

The principal place of business is:

Saxon House
Saxon Street
Denton
M34 3DS

These financial statements were authorised for issue by the Board on 13 March 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.

The presentational currency is £ Sterling and all amounts are rounded to the nearest £.

Going concern

The financial statements have been prepared on the assumption that the company is able to carry on business as a going concern, which the directors consider appropriate.

Revenue recognition

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

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.

AMI Group Ltd

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

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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Tangible assets

Freehold land and buildings and Motor vehicles are stated in the statement of financial position at their fair value, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. All other 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
Land	not depreciated
Buildings	2% on fair value
Plant and machinery	33% on cost
Motor vehicles	25% on fair value

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
Other intangible assets	over 5 years

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.

AMI Group Ltd

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

Trade debtors

Trade debtors are amounts due from customers for the supply of trackers and provision of tracking services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at the transaction price, 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 at the transaction price.

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 are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated over the shorter of the useful life of the asset and the lease term, less any estimated residual value. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

AMI Group Ltd

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

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 directors) during the year, was 6 (2017 - 8).

4 Intangible assets

	Other intangible assets £	Total £
Cost or valuation		
At 1 January 2018	37,280	37,280
At 31 December 2018	37,280	37,280
Amortisation		
At 1 January 2018	14,912	14,912
Amortisation charge	7,456	7,456
At 31 December 2018	22,368	22,368
Carrying amount		
At 31 December 2018	14,912	14,912
At 31 December 2017	22,368	22,368

AMI Group Ltd

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

5 Tangible assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2018	425,000	120,039	157,083	702,122
Revaluations	-	-	(38,430)	(38,430)
Additions	71,044	7,787	-	78,831
Disposals	-	(48,704)	(68,653)	(117,357)
At 31 December 2018	496,044	79,122	50,000	625,166
Depreciation				
At 1 January 2018	-	96,252	65,194	161,446
Charge for the year	-	19,445	-	19,445
Eliminated on disposal	-	(48,217)	(20,979)	(69,196)
Impairment	-	-	(44,215)	(44,215)
At 31 December 2018	-	67,480	-	67,480
Carrying amount				
At 31 December 2018	496,044	11,642	50,000	557,686
At 31 December 2017	425,000	23,787	91,889	540,676

Revaluation

The fair value of the company's land and buildings was revalued on 31 December 2017 by an independent valuer.

The directors have considered the fair value of the freehold land and buildings with reference to the market value of similar local properties. The directors consider that the valuation remains unchanged. The name and qualification of the independent valuer is Martin Walton, FRICS.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £337,058 (2017 - £272,165).

The fair value of the company's Motor vehicles was revalued on 31 December 2018. An independent valuer was not involved.

The fair value of the Motor vehicles have been calculated by the directors by reference to market values.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £22,108 (2017 - £44,215).

6 Stocks

	2018 £	2017 £
Other inventories	45,204	46,024

AMI Group Ltd

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

7 Debtors

	2018 £	2017 £
Trade debtors	133,367	144,247
Other debtors	<u>3,161</u>	<u>12,969</u>
Total current trade and other debtors	<u><u>136,528</u></u>	<u><u>157,216</u></u>

AMI Group Ltd

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

8 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Loans and borrowings	<u>9</u>	150,699	126,354
Trade creditors		23,876	45,733
Taxation and social security		15,873	21,003
Corporation tax liability		15,443	-
Other creditors		<u>5,154</u>	<u>48,832</u>
		<u>211,045</u>	<u>241,922</u>

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	<u>9</u>	<u>487,466</u>	<u>563,380</u>

Security

Security has been given by the company by way of fixed and floating charges over the assets of the company. The security has been given in respect of payments received on account from factor, the bank borrowings and the finance lease liabilities.

9 Loans and borrowings

	2018 £	2017 £
Non-current loans and borrowings		
Bank borrowings	435,419	443,899
Finance lease liabilities	<u>52,047</u>	<u>119,481</u>
	<u>487,466</u>	<u>563,380</u>

AMI Group Ltd

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

	Note	2018 £	2017 £
Current loans and borrowings			
Bank borrowings		112,701	98,894
Bank overdrafts		18,189	-
Finance lease liabilities		13,111	27,460
Loans from related parties	11	6,698	-
		<u>150,699</u>	<u>126,354</u>

10 Dividends

Interim dividends paid

	2018 £	2017 £
Interim dividend of £41.37 (2017 - £61.22) per each ordinary share	82,758	122,455
	<u>82,758</u>	<u>122,455</u>

The dividends paid by the company are in excess of the distributable reserves, which is contrary to the Companies Act 2006, and so may become repayable by the shareholders.

11 Related party transactions

Loans from related parties

2018	Directors £
Advanced	<u>6,698</u>

Terms of loans from related parties

The directors make an interest free loan available to the company, which is repayable on demand.

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.