

Registered number
07098631

AFC FOOD (UK) LIMITED
Report and Financial Statements
31 December 2021

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AFC FOOD (UK) LIMITED
Report and accounts
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AFC FOOD (UK) LIMITED
Company Information

Directors

Mr M Wahid

Auditors

La'Dunni & Co
26 Fair Street
London
SE1 2XF

Bankers

HSBC Bank PLC

Registered office

275 King Henry's Drive
New Addington
Croydon
CR0 0AE

Registered number

07098631

AFC FOOD (UK) LIMITED**Registered number:**

07098631

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2021.

Principal activities

The company's principal activity during the year continued to be wholesaling and retailing of various food products.

Dividends

The director declared a final dividend of £100,000 (£1,000 per share).

Directors

The following persons served as directors during the year:

Mr Muhammad Wahid

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102 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 of 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

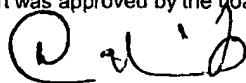
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 17 November 2022 and signed on its behalf.



Mr Muhammad Wahid
Director

AFC FOOD (UK) LIMITED

Strategic Report

Review of the year

We continue to distribute quality frozen chips and fresh and frozen meat to our customers mostly in London and within the M25. We source our products from Europe's leading producers and store in an excellent warehouse ready for distribution. We work hard to ensure we bring these products to our customers doorsteps in a healthy and safety environment.

We pride ourselves that we can achieve all the health and safety standards required to keep and distribute our products in this industry. We ensure our employees safety and make them aware of their civic responsibilities when carting products to our customers.

We operate in a very competitive market, however against this with an environment of rising inflation and compelling uncertainty, AFC Food (UK) had a successful year, and continued to provide services to our customers. We continued to maintain our position in this industry. Our financial achievements during the year include increased turnover of £25.1m as compared to the previous year's £20.8m.

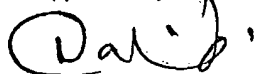
Business Performance

Though turnover increased during the year, there was a drop in profit margins as the company shifted to capture more market by extending trade with other distributors rather than the traditional fast-food shops. Thus, the company achieved operating profit of £311,010 (previous year £373,914).

The net assets at the end of the accounting period was £1,713,925 (previous year £1,620,135).

3 new refrigerated vans were acquired during the year to improve services to customers. In March 2022, an operation at a branch (Hounslow warehouse – operated for the last 3 years) was ceased due to operational problems and increasing costs. The director has the opinion that this will help improve profitability for the years to come.

This report was approved by the board on 17 November 2022 and signed on its behalf.



Mr Muhammad Wahid
Director

AFC FOOD (UK) LIMITED
Independent auditor's report
To the member of AFC Food (UK) Limited

Qualified Opinion

We have audited the accounts of AFC Food (UK) Limited (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Qualified opinion

The company has investments in Pakistan over the years, with a carrying amount of £517,850 in the financial statements as at 31 December 2021. Owing to the nature of company's records, we were unable to obtain sufficient appropriate audit evidence on the carrying amount, existence and state of the investments as a result of the investments being in another jurisdiction.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Conclusions relating to going concern

In auditing the accounts, we have concluded that the director's use of going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AFC FOOD (UK) LIMITED
Independent auditor's report
To the member of AFC Food (UK) Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research and our knowledge and experience of the sector.
- We designed our audit procedures to ensure consideration is given to any indications of non-compliance by the company with those laws and regulations. These procedures included, but not limited to:
- Discussion with management of any known, or suspected instances of non-compliance by the Company of those laws and regulations. Especially, Health and Safety at Work Act 1974 and Management of Health and Safety at Work Regulations 1999.

AFC FOOD (UK) LIMITED
Independent auditor's report
To the member of AFC Food (UK) Limited

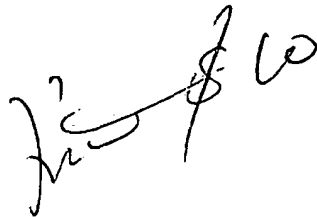
- Discussion with management of any, or suspected, incidence of fraud.
- Review of financial statements disclosures.
- We also identified the risks of material misstatement of the financial statements due to fraud. We have addressed this risk by performing audit procedures which included testing of Journals, reviewing material accounting estimates for evidence of bias, and evaluating the business rationale of any significant transactions that are unusual or outside normal course of business that came to our attention and preliminary and final analytical review to identify any unusual or unexpected relationships or variances.
- We addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals, reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business that came to our attention and preliminary and final analytical review to identify any unusual or unexpected relationships or variances.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 or Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Gbenga Rahzak Oladunni (FCCA)
(Senior Statutory Auditor)
For and on behalf of
La'Dunni & Co
Statutory Auditor
18/11/2022

26 Fair Street
London
SE1 2XF

AFC FOOD (UK) LIMITED
Income Statement
for the year ended 31 December 2021

	Notes	2021 £	2020 £
Turnover	2	25,094,172	20,805,287
Cost of sales		(23,615,993)	(19,107,138)
Gross profit		<u>1,478,179</u>	<u>1,698,149</u>
Administrative expenses		(1,278,702)	(1,380,351)
Other operating income		111,533	56,116
Operating profit	4	<u>311,010</u>	<u>373,914</u>
(Loss)/profit on sale of fixed assets		(18,785)	835
Loss on revaluation of investments		(37,232)	(23,745)
Interest payable	7	(19,046)	(7,401)
Profit on ordinary activities before taxation		235,947	<u>343,603</u>
Tax on profit on ordinary activities	8	(42,157)	(75,417)
Profit for the financial year		<u>193,790</u>	<u>268,186</u>

AFC FOOD (UK) LIMITED
Statement of Comprehensive Income
for the year ended 31 December 2021

	Notes	2021 £	2020 £
Profit for the financial year		193,790	268,186
Other comprehensive income			
Total comprehensive income for the year		<u>193,790</u>	<u>268,186</u>

AFC FOOD (UK) LIMITED
Statement of Financial Position
as at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	9	305,752	300,467
Current assets			
Stocks	10	522,263	619,217
Debtors	11	4,862,066	2,861,826
Investments held as current assets	12	517,850	555,082
Cash at bank and in hand		386,755	856,568
		<u>6,288,934</u>	<u>4,892,693</u>
Creditors: amounts falling due within one year	13	(4,340,924)	(2,645,222)
Net current assets		1,948,010	2,247,471
Total assets less current liabilities		2,253,762	2,547,938
Creditors: amounts falling due after more than one year	14	(539,837)	(927,803)
Net assets		<u>1,713,925</u>	<u>1,620,135</u>
Capital and reserves			
Called up share capital	16	100	100
Profit and loss account	17	1,713,825	1,620,035
Total equity		<u>1,713,925</u>	<u>1,620,135</u>

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Mr Muhammad Wahid
 Director
 Approved by the board on 17 November 2022

AFC FOOD (UK) LIMITED
Statement of Changes in Equity
for the year ended 31 December 2021

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
At 1 January 2020	100	-	-	1,387,849	1,387,949
Profit for the financial year				268,186	268,186
Dividends				(36,000)	(36,000)
At 31 December 2020	<u>100</u>	<u>-</u>	<u>-</u>	<u>1,620,035</u>	<u>1,620,135</u>
 At 1 January 2021	 100	 -	 -	 1,620,035	 1,620,135
Profit for the financial year				193,790	193,790
Dividends				(100,000)	(100,000)
At 31 December 2021	<u>100</u>	<u>-</u>	<u>-</u>	<u>1,713,825</u>	<u>1,713,925</u>

AFC FOOD (UK) LIMITED
Statement of Cash Flows
for the year ended 31 December 2021

	Notes	2021 £	2020 £
Operating activities			
Profit for the financial year		193,790	268,186
Adjustments for:			
Loss/(profit) on sale of fixed assets		18,785	(835)
Loss on revaluation of investments		37,232	23,745
Interest payable		19,046	7,401
Tax on profit on ordinary activities		42,157	75,417
Depreciation		70,591	68,458
Decrease/(increase) in stocks		96,954	(115,342)
Increase in debtors		(2,000,240)	(720,470)
Increase in creditors		1,450,382	308,318
		(71,303)	(85,122)
Dividends received/(paid)		-	(176,000)
Interest paid		(19,046)	(7,401)
Corporation tax paid		(56,274)	(53,274)
Cash used in operating activities		<u>(146,623)</u>	<u>(321,797)</u>
Investing activities			
Payments to acquire tangible fixed assets		(109,662)	(16,704)
Proceeds from sale of tangible fixed assets		15,001	18,001
Cash (used in)/generated by investing activities		<u>(94,661)</u>	<u>1,297</u>
Financing activities			
Equity dividends paid		(100,000)	-
Proceeds from new loans		-	790,894
Repayment of loans		(98,446)	-
Capital element of finance lease payments		(30,083)	(14,307)
Cash (used in)/generated by financing activities		<u>(228,529)</u>	<u>776,587</u>
Net cash (used)/generated			
Cash used in operating activities		(146,623)	(321,797)
Cash (used in)/generated by investing activities		(94,661)	1,297
Cash (used in)/generated by financing activities		(228,529)	776,587
Net cash (used)/generated		<u>(469,813)</u>	<u>456,087</u>
Cash and cash equivalents at 1 January		856,568	400,481
Cash and cash equivalents at 31 December		<u>386,755</u>	<u>856,568</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>386,755</u>	<u>856,568</u>

AFC FOOD (UK) LIMITED
Notes to the Accounts
for the year ended 31 December 2021

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	15% reducing balance
Fixtures, fittings, tools and equipment	20% reducing balance

Investments

Unlisted investments are measured at fair value unless the value cannot be measured reliably, in which case they are measured at cost less any accumulated impairment losses. Changes in fair value are included in the profit and loss account.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. 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. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

AFC FOOD (UK) LIMITED
Notes to the Accounts
for the year ended 31 December 2021

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2	Analysis of turnover	2021	2020
		£	£
	Sale of goods	<u>25,094,172</u>	<u>20,805,287</u>
	By geographical market:		
	UK	<u>25,094,172</u>	<u>20,805,287</u>
3	Government grant		
	During the year AFC FOOD (UK Limited received a grant under the government JRS, the sum of £59,409 (2021: £56,116). The company received and recognised these grants in the financial statements on basis of employees that satisfied the conditions of the scheme and were processed with the payroll in the period. As the scheme ended within the year no accruals were necessary.		
4	Operating profit	2021	2020
		£	£
	This is stated after charging:		
	Depreciation of owned fixed assets	70,591	68,458
	Operating lease rentals - plant and machinery	14,789	13,988
	Auditors' remuneration for audit services	7,500	7,500
	Carrying amount of stock sold	<u>23,887,163</u>	<u>19,464,368</u>
5	Directors' emoluments	2021	2020
		£	£
	Emoluments	39,000	44,000
	Company contributions to defined contribution pension plans	728	795
		<u>39,728</u>	<u>44,795</u>
6	Staff costs	2021	2020
		£	£
	Wages and salaries	312,698	320,549
	Social security costs	11,371	11,193
	Other pension costs	1,933	745
		<u>326,002</u>	<u>332,487</u>

AFC FOOD (UK) LIMITED
Notes to the Accounts
for the year ended 31 December 2021

Average number of employees during the year	Number	Number
Administration	2	2
Distribution	18	17
Marketing	2	1
Sales	2	2
	<u>24</u>	<u>22</u>

7 Interest payable	2021	2020
	£	£
Bank loans and overdrafts	<u>19,046</u>	<u>7,401</u>

8 Taxation	2021	2020
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	42,157	75,417
Tax on profit on ordinary activities	<u>42,157</u>	<u>75,417</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2021	2020
	£	£
Profit on ordinary activities before tax	<u>235,947</u>	<u>343,603</u>
Standard rate of corporation tax in the UK	19%	19%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	44,830	65,285
Effects of:		
Expenses not deductible for tax purposes	(2,673)	10,132
Current tax charge for period	<u>42,157</u>	<u>75,417</u>

Factors that may affect future tax charges

During the year the company claimed tax relief on AIA of £106,699; it is not likely there will be similar level of investment in plant and machinery for the next two years.

9 Tangible fixed assets	Plant and machinery	Motor vehicles	Total
	<i>At cost</i>	<i>At cost</i>	
	£	£	£
Cost or valuation			
At 1 January 2021	273,519	563,269	836,788
Additions	2,963	106,699	109,662
Disposals	-	(137,619)	(137,619)
At 31 December 2021	<u>276,482</u>	<u>532,349</u>	<u>808,831</u>
Depreciation			
At 1 January 2021	182,975	353,346	536,321
Charge for the year	14,024	56,567	70,591
On disposals	-	(103,833)	(103,833)
At 31 December 2021	<u>196,999</u>	<u>306,080</u>	<u>503,079</u>

AFC FOOD (UK) LIMITED
Notes to the Accounts
for the year ended 31 December 2021

Carrying amount			
At 31 December 2021	<u>79,483</u>	<u>226,269</u>	<u>305,752</u>
At 31 December 2020	<u>90,544</u>	<u>209,923</u>	<u>300,467</u>
10 Stocks	2021	2020	
	£	£	
Finished goods and goods for resale	<u>522,263</u>	<u>619,217</u>	
11 Debtors	2021	2020	
	£	£	
Trade debtors	1,591,039	835,392	
Amounts owed by group undertakings and undertakings in which the company has a participating interest	3,166,080	1,826,735	
VAT receivable	18,403	6,567	
Other debtors	67,479	189,067	
Prepayments and accrued income	19,065	4,065	
	<u>4,862,066</u>	<u>2,861,826</u>	
12 Investments held as current assets	2021	2020	
	£	£	
Fair value			
Unlisted investments	<u>517,850</u>	<u>555,082</u>	
Increase/(decrease) in fair value included in the profit and loss account for the Unlisted investments	<u>(37,232)</u>	<u>(23,745)</u>	
	<u>(37,232)</u>	<u>(23,745)</u>	
13 Creditors: amounts falling due within one year	2021	2020	
	£	£	
Bank loans	276,224	7,450	
Obligations under finance lease and hire purchase contracts	78,540	87,877	
Trade creditors	3,634,204	2,303,292	
Corporation tax	179,650	193,767	
Other taxes and social security costs	63,604	26,297	
Other creditors	30,642	10,239	
Accruals and deferred income	78,080	16,300	
	<u>4,340,924</u>	<u>2,645,222</u>	
14 Creditors: amounts falling due after one year	2021	2020	
	£	£	
Bank loans	506,503	873,723	
Obligations under finance lease and hire purchase contracts	<u>33,334</u>	<u>54,080</u>	
	<u>539,837</u>	<u>927,803</u>	
The Bank loans are secured over all fixed and floating assets of the company.			
15 Obligations under finance leases and hire purchase contracts	2021	2020	
	£	£	
Amounts payable:			
Within one year	78,540	87,877	
Within two to five years	<u>33,334</u>	<u>54,080</u>	
	<u>111,874</u>	<u>141,957</u>	

AFC FOOD (UK) LIMITED
Notes to the Accounts
for the year ended 31 December 2021

16 Share capital	Nominal value	2021 Number	2021 £	2020 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	100	100	100
17 Profit and loss account			2021 £	2020 £
At 1 January			1,620,035	1,387,849
Profit for the financial year			193,790	268,186
Dividends			(100,000)	(36,000)
At 31 December			<u>1,713,825</u>	<u>1,620,035</u>
18 Dividends			2021 £	2020 £
Dividends on ordinary shares (note 17)			<u>100,000</u>	<u>36,000</u>

19 Related party transactions

AFC Food (UK) Limited (07098631) is related to Adam & Adam Properties Limited (10813776) (AAP Ltd), Roosters Spot Limited (07128973) (RS Ltd) and Adams Food Services Ltd (11428859) (AFS Ltd) because of being under common shareholder and control of the director.

During the year, a net loan of £1,056,845 was made to AAP Ltd with a balance outstanding as at 31/12/2021 of £2,829,342 (2020: £1,772,497).

During the year, a loan of £282,500 was made to RS Ltd with a balance outstanding as at 31/12/2021 of £336,728 (2019: £54,238)

As at 31/12/2021, (AFS Ltd) has a sales ledger balance of £681,488 (2020: £380,262) due to AFC Food (UK) Ltd. Whilst (AFS Ltd) has a purchase ledger balance of £31,078 (2020: £8,616).

20 Controlling party

The company is in the control of its only director, Mr M Wahid, who owns all the shares of the company.

21 Presentation currency

The financial statements are presented in Sterling.

22 Legal form of entity and country of incorporation

AFC FOOD (UK) LIMITED is a private company limited by shares and incorporated in England.

23 Principal place of business

The address of the company's principal place of business and registered office is:
 275 King Henry's Drive
 New Addington
 Croydon
 CR0 0AE