

# K.T.O. Ltd

Annual Report and Unaudited Financial Statements  
for the Period from 1 August 2018 to 30 September 2019

# **K.T.O. Ltd**

## **Contents**

Balance Sheet	<u>1</u>
Notes to the Unaudited Financial Statements	<u>2</u> to <u>7</u>

# K.T.O. Ltd

## (Registration number: 08410756) Balance Sheet as at 30 September 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	20,000	25,000
Tangible assets	<u>5</u>	601,267	467,772
		<u>621,267</u>	<u>492,772</u>
<b>Current assets</b>			
Stocks	<u>6</u>	6,596	5,159
Debtors	<u>7</u>	89,148	60,812
Cash at bank and in hand		79,211	40,675
		<u>174,955</u>	<u>106,646</u>
<b>Creditors: Amounts falling due within one year</b>	<u>8</u>	<u>(974,390)</u>	<u>(811,692)</u>
<b>Net current liabilities</b>		<u>(799,435)</u>	<u>(705,046)</u>
<b>Net liabilities</b>		<u>(178,168)</u>	<u>(212,274)</u>
<b>Capital and reserves</b>			
Called up share capital	<u>9</u>	1,250	1,250
Profit and loss account		<u>(179,418)</u>	<u>(213,524)</u>
<b>Total equity</b>		<u>(178,168)</u>	<u>(212,274)</u>

For the financial period ending 30 September 2019 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.

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 7 February 2020 and signed on its behalf by:

.....

T D Standish  
Director

# **K.T.O. Ltd**

## **Notes to the Unaudited Financial Statements for the Period from 1 August 2018 to 30 September 2019**

### **1 General information**

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:  
45-47 Westover Road  
Bournemouth  
Dorset  
BH1 2BZ  
England

These financial statements were authorised for issue by the Board on 7 February 2020.

### **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.

#### **Changes in accounting policy**

##### **New standards, interpretations and amendments effective**

The following have been applied for the first time from 1 August 2018 and have had an effect on the financial statements:

#### **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.

#### **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.

## **K.T.O. Ltd**

### **Notes to the Unaudited Financial Statements for the Period from 1 August 2018 to 30 September 2019**

#### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	10% Straight Line
Improvement of leasehold premises	10% Straight Line
Office equipment	20% Straight Line

#### **Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

#### **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:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	10% Straight Line

#### **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.

## **K.T.O. Ltd**

### **Notes to the Unaudited Financial Statements for the Period from 1 August 2018 to 30 September 2019**

#### **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.

#### **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.

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the period, was 12 (2018 - 12).

# K.T.O. Ltd

## Notes to the Unaudited Financial Statements for the Period from 1 August 2018 to 30 September 2019

### 4 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 August 2018	50,000	50,000
At 30 September 2019	50,000	50,000
<b>Amortisation</b>		
At 1 August 2018	25,000	25,000
Amortisation charge	5,000	5,000
At 30 September 2019	30,000	30,000
<b>Carrying amount</b>		
At 30 September 2019	20,000	20,000
At 31 July 2018	25,000	25,000

### 5 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 August 2018	188,997	610,705	13,251	812,953
Additions	-	218,389	1,237	219,626
At 30 September 2019	188,997	829,094	14,488	1,032,579
<b>Depreciation</b>				
At 1 August 2018	77,527	259,050	8,604	345,181
Charge for the period	18,899	64,334	2,898	86,131
At 30 September 2019	96,426	323,384	11,502	431,312
<b>Carrying amount</b>				
At 30 September 2019	92,571	505,710	2,986	601,267
At 31 July 2018	111,470	351,655	4,647	467,772

### 6 Stocks

2019 £	2018 £
-----------	-----------





# K.T.O. Ltd

## Notes to the Unaudited Financial Statements for the Period from 1 August 2018 to 30 September 2019

### 7 Debtors

	2019 £	2018 £
Prepayments	28,209	27,169
Other debtors	60,939	33,643
	<u>89,148</u>	<u>60,812</u>

### 8 Creditors

#### Creditors: amounts falling due within one year

	2019 £	2018 £
<b>Due within one year</b>		
Trade creditors	247,156	93,689
Taxation and social security	5,810	20,533
Accruals and deferred income	4,204	3,364
Other creditors	717,220	694,106
	<u>974,390</u>	<u>811,692</u>

### 9 Share capital

#### Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary £1 Shares of £1 each	1,250	1,250	1,250	1,250

### 10 Related party transactions

#### Transactions with directors

	At 1 August 2018 £	Advances to directors £	Repayments by director £	At 30 September 2019 £
<b>2019</b>				
<b>A McQuin</b>				
Loan	(153,650)	(35,000)	-	(188,650)
<b>T D Standish</b>				
Loan	(547,070)	-	18,500	(528,570)



## **K.T.O. Ltd**

### **Notes to the Unaudited Financial Statements for the Period from 1 August 2018 to 30 September 2019**

	<b>At 1 August 2017 £</b>	<b>Advances to directors £</b>	<b>At 31 July 2018 £</b>
<b>2018</b>			
<b>A McQuin</b>			
Loan	(137,400)	(16,250)	(153,650)
	<hr/>	<hr/>	<hr/>
<b>T D Standish</b>			
Loan	(577,020)	29,950	(547,070)
	<hr/>	<hr/>	<hr/>

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.