

Financial Statements

A.B. Distributors Limited

For the year ended 31 December 2019



Registered number: NI008366

Company Information

Directors	Michael Maughan (appointed 10 October 2019) Michael Dwan Frank Murphy Eamon Francis Lennox Jonathan Hughes
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Company secretary	Leslie Burgess
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Registered number	NI008366
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Registered office	2 Cromac Place The Gasworks Ormeau Road Belfast BT7 2JB
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Independent auditor	Grant Thornton Chartered Accountants & Statutory Auditors 13-18 City Quay Dublin 2
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Bankers	Ulster Bank Limited 14/16 Market Street Lurgan Craigavon Co. Armagh
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A.B. Distributors Limited

Directors' report

For the year ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Principal activity

The principal activity of the company during the year consisted of the wholesale of household appliances and related products.

Directors

The directors who served during the year were:

Michael Maughan (appointed 10 October 2019)
Michael Dwan
Frank Murphy
Eamon Francis Lennox
Jonathan Hughes

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

Auditor

The auditor, Grant Thornton, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

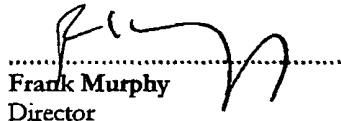
Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



.....
Michael Dwan
Director



.....
Frank Murphy
Director

Date: 3 September 2020

Directors' responsibilities statement

For the year ended 31 December 2019

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 year.

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

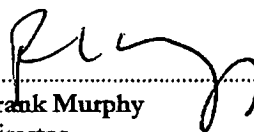
- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

On behalf of the board



Michael Dwan
Director



Frank Murphy
Director

Date: 3 September 2020



Independent auditor's report to the members of A.B. Distributors Limited

Opinion

We have audited the financial statements of A.B. Distributors Limited which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity for the year ended 31 December 2019, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, A.B. Distributors Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the company as at 31 December 2019 and of its financial performance for the year then ended; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs') and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor 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 United Kingdom, namely FRC's Ethical Standard concerning the integrity, objectivity and independence of the auditor. We have fulfilled our 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 opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



Independent auditor's report to the members of A.B. Distributors Limited (continued)

Other information

Other information comprises the information included in the annual report, other than the financial statements and our Auditor's report thereon, including the Directors' report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

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; or
- the directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report or in preparing the Directors' report.

Independent auditor's report to the members of A.B. Distributors Limited (continued)

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 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, management is 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 management either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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.

As part of an audit in accordance with ISAs (UK), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Independent auditor's report to the members of A.B. Distributors Limited (continued)

Responsibilities of the auditor for the audit of the financial statements (continued)

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with chapter 3 of 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.

A handwritten signature in black ink, appearing to read "Noel Delaney".

Noel Delaney FCA (Senior statutory auditor)
for and on behalf of

Grant Thornton
Chartered Accountants &
Statutory Auditors
Dublin 2

Date: 3 September 2020

Statement of comprehensive income

For the year ended 31 December 2019

	Note	2019 £	2018 £
Turnover		5,374,827	5,010,986
Cost of sales		(4,021,768)	(3,831,624)
Gross profit		1,353,059	1,179,362
Distribution costs		(805,121)	(859,558)
Administrative expenses		(438,884)	(457,551)
Other operating income		14,680	-
Operating profit/(loss)	5	123,734	(137,747)
Interest receivable and similar income		1,253	1,108
Profit/(loss) before tax		124,987	(136,639)
Tax on profit/(loss)	8	-	-
Profit/(loss) for the year		124,987	(136,639)

All amounts relate to continuing operations.

There was no other comprehensive income for 2019 (2018: £NIL).

The notes on pages 9 to 17 form part of these financial statements.

A.B. Distributors Limited

Registered number: NI008366

Statement of financial position

As at 31 December 2019

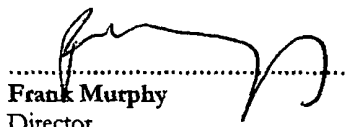
	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	9	5,443	23,445
		<u>5,443</u>	<u>23,445</u>
Current assets			
Debtors: Amounts falling due within one year	10	1,263,692	909,730
Cash at bank and in hand	11	736,905	631,555
		<u>2,000,597</u>	<u>1,541,285</u>
Current liabilities			
Creditors: Amounts falling due within one year	12	(965,498)	(649,175)
Net current assets		<u>1,035,099</u>	<u>892,110</u>
Net assets		<u>1,040,542</u>	<u>915,555</u>
Capital and reserves			
Called up share capital	13	20,000	20,000
Profit and loss account	14	1,020,542	895,555
Shareholder's funds		<u>1,040,542</u>	<u>915,555</u>

The 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 and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



Michael Dwan
Director



Frank Murphy
Director

Date: 3 September 2020

The notes on pages 9 to 17 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2019

1. General information

A.B. Distributors Limited is a company limited by shares which is incorporated in Northern Ireland registered under the number NI008366 with a registered office at 2 Cromac Place, The Gasworks, Ormeau Road, Belfast, BT7 2JB. The company is a tax resident in Ireland.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Notes to the financial statements

For the year ended 31 December 2019

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.7 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

Notes to the financial statements

For the year ended 31 December 2019

2. Accounting policies (continued)

2.7 Taxation (continued)

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- Straight line basis at 25% per annum
Fixtures and fittings	- Straight line basis at 25% per annum
Computer equipment	- Straight line basis at 25% per annum
Showrooms	- Straight line basis at 25% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the financial statements

For the year ended 31 December 2019

2. Accounting policies (continued)

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the financial statements

For the year ended 31 December 2019

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The following are significant management judgments in applying the accounting policies of the company, that have the most significant effect on the financial statements.

Going concern

The company has obtained assurances from its parent company that it will provide financial support for a period not less than twelve months from the signing of the financial statements. The financial statements are prepared on the going concern basis as a result of this assurance and do not include any adjustments that would arise from failure to obtain financial support from its parent company.

Impairment of trade debtors

The company trades with a large and varied number of customers on credit terms. Some debts due will not be paid through the default of a small number of customers. The company uses estimates based on historical experience and current information in determining the level of debts for which an impairment charge is required. The level of impairment required is reviewed on an ongoing basis. The total amount of trade debtors is £1,005,867 (2018: £705,106).

Useful lives of tangible fixed assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and physical obsolescence that may change the utility of certain property, plant and equipment.

4. Other operating income

	2019	2018
	£	£
Commission income	14,680	-

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2019	2018
	£	£
Exchange differences	-	17,146
Operating lease rentals	1,591	-

6. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2019	2018
	No.	No.
Number of persons employed by the company	9	11

Notes to the financial statements

For the year ended 31 December 2019

7. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	54,354	45,022
Company contributions to defined contribution pension schemes	2,706	2,251
	<u>57,060</u>	<u>47,273</u>

8. Taxation

	2019 £	2018 £
Taxation on profit/(loss) on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - higher than) the profit (loss) for the year before tax multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit/(loss) on ordinary activities before tax	<u>124,987</u>	<u>(136,639)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	23,747	(25,961)
Effects of:		
Expenses not deductible for tax purposes	5,378	3,344
Capital allowances for the year in excess of depreciation	(300)	(2,100)
Non-taxable income	-	211
Unrelieved tax losses carried forward	<u>(28,825)</u>	<u>24,506</u>
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The Company has trading losses amounting to £2,041,812 (2018: £2,193,520). A deferred tax asset has not been recognised in respect of this amount as there is uncertainty as to when sufficient profits might be available against which these losses could be utilised.

Notes to the financial statements

For the year ended 31 December 2019

9. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation					
At 1 January 2019	57,499	116,291	8,739	20,817	203,346
Additions	-	962	-	-	962
At 31 December 2019	57,499	117,253	8,739	20,817	204,308
Depreciation					
At 1 January 2019	42,542	110,155	6,387	20,817	179,901
Charge for the year on owned assets	14,376	2,236	2,352	-	18,964
At 31 December 2019	56,918	112,391	8,739	20,817	198,865
Net book value					
At 31 December 2019	581	4,862	-	-	5,443
At 31 December 2018	14,957	6,136	2,352	-	23,445

10. Debtors: Amounts falling due within one year

	2019 £	2018 £
Trade debtors	1,005,867	705,106
Amounts owed by group undertakings	239,314	122,281
Prepayments	18,511	82,343
	<u>1,263,692</u>	<u>909,730</u>

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

11. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>736,905</u>	<u>631,555</u>

Notes to the financial statements

For the year ended 31 December 2019

12. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	109,404	63,829
Taxation and social insurance	261,178	204,740
Accruals and deferred income	594,916	380,606
	<u>965,498</u>	<u>649,175</u>

Trade creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Other taxes including social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions:

The terms of accruals and deferred income are based on the underlying contracts.

13. Share capital

	2019 £	2018 £
Authorised		
25,000 Type A ordinary shares of £1.00 each	25,000	25,000
25,000 Type B ordinary shares of £1.00 each	25,000	25,000
	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid		
10,000 Type A ordinary shares of £1.00 each	10,000	10,000
10,000 Type B ordinary shares of £1.00 each	10,000	10,000
	<u>20,000</u>	<u>20,000</u>

Ordinary 'A' and Ordinary 'B' shares rank pari passu for dividends and amounts receivable upon winding-up.

14. Reserves

Profit and loss account

Includes all current and prior financial period retained profits and losses.

Notes to the financial statements

For the year ended 31 December 2019

15. Pension commitments

The company contributes to one defined contribution pension scheme. The company's contribution are charged against profit in the year which they are incurred. During the year the company made contributions to the scheme in the sum of £26,374 (2018: £31,541). The amounts outstanding at year end amount to £Nil (2018: £Nil).

16. Commitments under operating leases

The company had no significant commitments under the non-cancellable operating leases as at the reporting date.

17. Related party transactions

The company has availed of the exemption under FRS102 s33 which allows non disclosure of transactions between wholly owned group companies.

18. Events after the end of the year

On the 11 March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. On 27 March 2020, the Government had imposed significant restrictions countrywide to slow down the spread of the virus which have resulted in various businesses being shut down temporarily other than those deemed to be of "essential services".

Covid-19 has impacted negatively the operations of the Company in the subsequent financial year. Management has taken necessary measures to lessen the damage dealt by the ongoing crisis and at the same time, ensuring business operations are being conducted in line with Government's recommended guidelines and requirements.

The management has assessed the impact on the financial statements as of 31 December 2019 and have concluded Covid-19 to be a non-adjusting event.

19. Controlling party

The company is a subsidiary of Gowan Investments Limited, a company incorporated in the United Kingdom. Its ultimate parent undertaking is Convest Limited, a company incorporated in Ireland. Group financial statements of Convest Limited are filed with the Companies Registration Office.