

Aburnet Limited

Unaudited Abridged Financial Statements
(Companies House Version)
for the Year Ended 31 December 2016

Page Kirk LLP
Chartered Accountants
Sherwood House
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Aburnet Limited

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**Chartered Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
Aburnet Limited
for the Year Ended 31 December 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Aburnet Limited for the year ended 31 December 2016 as set out on pages 2 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Aburnet Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Aburnet Limited and state those matters that we have agreed to state to the Board of Directors of Aburnet Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Aburnet Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Aburnet Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Aburnet Limited. You consider that Aburnet Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Aburnet Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Page Kirk LLP
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22 September 2017

Aburnet Limited

(Registration number: 00202702)

Abridged Balance Sheet as at 31 December 2016

	Note	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	<u>4</u>		1,231,072		897,475
Investments			<u>250</u>		<u>250</u>
			1,231,322		897,725
Current assets					
Stocks		472,449		404,665	
Debtors		1,060,360		778,875	
Cash at bank and in hand		<u>560,219</u>		<u>464,416</u>	
		2,093,028		1,647,956	
Creditors: Amounts falling due within one year		<u>(622,806)</u>		<u>(633,912)</u>	
Net current assets			<u>1,470,222</u>		<u>1,014,044</u>
Total assets less current liabilities			2,701,544		1,911,769
Creditors: Amounts falling due after more than one year			-		(192,000)
Provisions for liabilities			<u>(90,768)</u>		<u>-</u>
Net assets			<u>2,610,776</u>		<u>1,719,769</u>
Capital and reserves					
Called up share capital		12,029		12,029	
Share premium reserve		38,050		38,050	
Capital redemption reserve		2,421		2,421	
Revaluation reserve		291,008		-	
Profit and loss account		<u>2,267,268</u>		<u>1,667,269</u>	
Total equity			<u>2,610,776</u>		<u>1,719,769</u>

For the financial year ending 31 December 2016 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 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 accounts.

The notes on pages 4 to 9 form an integral part of these abridged financial statements.

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Aburnet Limited

(Registration number: 00202702)

Abridged Balance Sheet as at 31 December 2016

These accounts have been prepared and delivered to the Registrar in accordance with the provisions applicable to companies subject to the small companies' regime and the directors have not delivered to the Registrar a copy of the company's profit and loss account.

All of the company's members have consented to the preparation of an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

Approved and authorised by the Board on 22 September 2017 and signed on its behalf by:

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Mr R J S Burnet

Company secretary and director

The notes on pages 4 to 9 form an integral part of these abridged financial statements.

Aburnet Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

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:

Manners Avenue
Manners Industrial Estate
Ilkeston
Derbyshire
DE7 8EF

These financial statements were authorised for issue by the Board on 22 September 2017.

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.

Basis of preparation of financial statements

These financial statements were prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards, including the Financial Reporting Standard 102 ('FRS 102') Section 1A small entities, and with the Companies Act 2006.

This is the first year in which the financial statements have been prepared under FRS 102. The transition from preparing the financial statements in accordance with FRSSE (2015) to FRS 102 (1a) has had no material impact on either the financial position or the financial performance as previously reported by the company.

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.

Government grants

Government grants are accounted for under the performance model. Grants received are treated as a liability until the performance criteria specified in the contract are met. At this point the grant is treated as income in the profit and loss account.

Tax

The tax expense for the period comprises current and deferred 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.

Aburnet Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

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 income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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.

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
Freehold Property	2% straight line
Plant and machinery	14.3% to 33.3% straight line
Fixtures and fittings	10% to 33.3% straight line
Motor vehicles	20% straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Aburnet Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

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.

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.

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.

Aburnet Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

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

During the year, the average number of employees at the company was 39 (2015 - 40).

Aburnet Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 January 2016	805,265	177,726	128,116	704,868	1,815,975
Revaluations	325,812	-	-	-	325,812
Additions	-	51,923	57,504	59,133	168,560
Disposals	(91,077)	(3,550)	(83,306)	(39,000)	(216,933)
At 31 December 2016	1,040,000	226,099	102,314	725,001	2,093,414
Depreciation					
At 1 January 2016	48,259	135,225	121,109	613,907	918,500
Charge for the year	16,107	25,504	11,500	41,949	95,060
Eliminated on disposal	(30,908)	(355)	(76,297)	(10,200)	(117,760)
Impairment	(33,458)	-	-	-	(33,458)
At 31 December 2016	-	160,374	56,312	645,656	862,342
Carrying amount					
At 31 December 2016	1,040,000	65,725	46,002	79,345	1,231,072
At 31 December 2015	757,006	42,501	7,007	90,961	897,475

Revaluation

The fair value of the company's land and buildings was revalued on 13 June 2016 by an independent valuer and the directors.

Land and buildings comprise of two properties at the year end. One with a net book value of £800,000 which is based on an independent valuation. The other has a net book value of £240,000 which was determined by the directors.

The independent valuer and the directors based the valuations on other similar transactions which had taken place in the same area and adjusted these amounts for the buildings individual features.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £680,733 (2015 - £757,006).

Aburnet Limited

Notes to the Abridged Financial Statements for the Year Ended 31 December 2016

5 Investments

	Subsidiaries £	Total £
Cost or valuation		
At 1 January 2016	250	250
Provision		
Carrying amount		
At 31 December 2016	250	250
At 31 December 2015	250	250

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.