

Company Registration No. 01263890 (England and Wales)

**AUBREY ALLEN LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 3 OCTOBER 2020**



# AUBREY ALLEN LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr P H Allen Mr J M Allen Mr R A H Allen Mr A Healy Ms L M Flemming Mr S C Smith Mr N A F Donders Mrs J L Craner
<b>Secretary</b>	Mrs J L Craner
<b>Company number</b>	01263890
<b>Registered office</b>	Unit 1 3040 Siskin Parkway East Middlemarch Business Park Coventry West Midlands CV3 4PE
<b>Independent Auditor</b>	Azets Audit Services Thorpe House 93 Headlands Kettering NN15 6BL
<b>Business address</b>	Unit 1 3040 Siskin Parkway East Middlemarch Business Park Coventry CV3 4AD

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# **AUBREY ALLEN LIMITED**

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# **AUBREY ALLEN LIMITED**

## **STRATEGIC REPORT**

**FOR THE PERIOD ENDED 3 OCTOBER 2020**

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The directors present the strategic report and financial statements for the year ended 3rd October 2020.

### **Fair review of the business**

The directors are pleased to provide a review of the company during the period, the position as the end of the period and the main objectives for the immediate future.

Though the year began promisingly, unfortunately the impact of COVID 19 was adverse from March onwards. Despite this, Aubrey Allen remain focused on strengthening their sales base through expansion in both the retail and wholesale parts of the business. Plans are to increase market share and target prospects within the company's market sector.

Focus has been on opening secure new client accounts to increase market share and mitigate risk by reducing credit terms offered to clients.

Covid 19 has impacted both revenue and margins, which we anticipate will take some years to recover from. We were able to survive through the lockdown of the hospitality industry in 2020 using operating cash, however it is forecasted we will need to use investment reserves to support the business in the short term.

Despite the volatile nature of the hospitality industry, Aubrey Allen recovered the majority of the pre COVID 19 trade debtor balances.

No dividends were voted or proposed for this year, and none are envisaged for 2021.

Aubrey Allen remain focused on strengthening their sales base through expansion in both the retail and wholesale parts of the business. In addition we will be launching an ecommerce business which will aid us to sell to the general public.

### **Principal risks and uncertainties**

- Price volatility of meat (primarily beef) supplies
- The impact of competition
- Exposure to new legislation or regulatory requirements
- The recruitment and retention of a skilled workforce
- The potential loss of any of our more significant clients
- The risk of exposure to bad debt
- Uncertainties arising from the referendum decision to leave the EU
- Ongoing restrictions and effects of COVID 19

# AUBREY ALLEN LIMITED

## STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

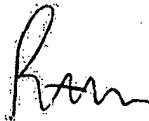
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### Key performance indicators

The board recognises the value of high quality management information to help them manage the business efficiently and effectively. The directors consider the following KPI's to be the most important, and monitor them on a regular basis:

- Sales within a period
- Gross margin
- Wage costs
- Overhead run rate
- Cash balances and any movements in working capital
- Bad debts incurred

On behalf of the board



Mr R A H Allen  
Director  
24 May 2021

# AUBREY ALLEN LIMITED

## DIRECTORS' REPORT

**FOR THE PERIOD ENDED 3 OCTOBER 2020**

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The directors present their report and financial statements for the 53 weeks ended 3 October 2020.

### Principal activities

The principal activity of the company continued to be that of catering and retail butchers.

### Results and dividends

The results for the period are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr P H Allen  
Mr J M Allen  
Mr R A H Allen  
Mr A Healy  
Ms L M Flemming  
Mr S C Smith  
Mr N A F Donders  
Mrs J L Craner

### Future developments and going concern

During the period, the implications of the COVID-19 pandemic resulted in unprecedented economic consequences globally and locally in the United Kingdom. A further national lockdown was implemented in November 2020 and again in January 2021.

Whilst the impact to the Company has been significant, due to reduced hospitality sector demand, the company's cash and investment position continues to remain healthy. After reviewing the company's latest management information, forecasts of fixed costs and making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future, meeting its liabilities as they fall due.

The directors have considered a range of scenarios in light of the COVID-19 pandemic and whilst the quantum and timing of future revenue cannot be reliably estimated, even in worst case scenarios, the company still has adequate cash and liquid asset balances to meet liabilities as they fall due for at least 12 months from the approval of these financial statements. This assumes that the company has the ability to utilise the furlough scheme until September 2021 if required; however, this is not considered likely to the extent previously utilised due to continued expected lockdown restrictions easing over the next few months.

For the reasons set out above, the directors have prepared the financial statements on a going concern basis and have concluded the impact of COVID-19 does not create a material uncertainty in relation to going concern.

### Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

# AUBREY ALLEN LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

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### Strategic report

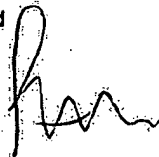
The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial risk management.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr R A H Allen  
Director



24 May 2021

# **AUBREY ALLEN LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE PERIOD ENDED 3 OCTOBER 2020**

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The directors are responsible for preparing the Strategic Report, 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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 accounting 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.



# AUBREY ALLEN LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF AUBREY ALLEN LIMITED

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#### Opinion

We have audited the financial statements of Aubrey Allen Limited (the 'company') for the 53 week period ended 3 October 2020 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of 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 Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 3 October 2020 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 (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 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.

#### 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. 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.

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 or apparent material misstatements, 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

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

# AUBREY ALLEN LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AUBREY ALLEN LIMITED

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### 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 and the directors' report.

We have nothing to report in respect of the following matters where 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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 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.



Mr Paul Tyler (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services

Statutory Auditor

24/05/2021

Thorpe House  
93 Headlands  
Kettering  
NN15 6BL

# AUBREY ALLEN LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE PERIOD ENDED 3 OCTOBER 2020

	Notes	53 weeks ended 3 October 2020 £	52 weeks ended 28 September 2019 £
Turnover	3	19,541,362	29,133,287
Cost of sales		(16,806,292)	(23,029,972)
<b>Gross profit</b>		<b>2,735,070</b>	<b>6,103,315</b>
Distribution costs		(935,705)	(1,032,884)
Administrative expenses		(3,695,886)	(4,055,140)
Other operating income		1,088,229	354
<b>Operating (loss)/profit</b>	5	<b>(808,292)</b>	<b>1,015,645</b>
Interest receivable and similar income	7	1,708	2,391
Value increase in current asset investments	8	123,547	61,609
<b>(Loss)/profit before taxation</b>		<b>(683,037)</b>	<b>1,079,645</b>
Tax on (loss)/profit	9	73,130	(180,936)
<b>(Loss)/profit for the financial period</b>		<b>(609,907)</b>	<b>898,709</b>
Retained earnings brought forward		8,036,012	7,137,303
Retained earnings carried forward		7,426,105	8,036,012

The statement of income and retained earnings has been prepared on the basis that all operations are continuing operations.

# AUBREY ALLEN LIMITED

## BALANCE SHEET

AS AT 3 OCTOBER 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	10		20,065		-
Tangible assets	11		2,784,022		1,856,739
			<u>2,804,087</u>		<u>1,856,739</u>
<b>Current assets</b>					
Stocks	13	672,154		695,905	
Debtors	14	2,206,530		3,168,408	
Investments	15	3,148,797		3,025,250	
Cash at bank and in hand		276,696		1,134,300	
		<u>6,304,177</u>		<u>8,023,863</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(1,551,764)</u>		<u>(1,753,034)</u>	
<b>Net current assets</b>			<u>4,752,413</u>		<u>6,270,829</u>
<b>Total assets less current liabilities</b>			<u>7,556,500</u>		<u>8,127,568</u>
<b>Provisions for liabilities</b>					
Deferred tax liability	18	<u>101,893</u>		<u>63,054</u>	
			<u>(101,893)</u>		<u>(63,054)</u>
<b>Net assets</b>			<u>7,454,607</u>		<u>8,064,514</u>
<b>Capital and reserves</b>					
Called up share capital	19		21,322		21,322
Share premium account			7,180		7,180
Profit and loss reserves			7,426,105		8,036,012
<b>Total equity</b>			<u>7,454,607</u>		<u>8,064,514</u>

The financial statements were approved by the board of directors and authorised for issue on 24 May 2021 and are signed on its behalf by:

Mr R A H Allen  
Director



Company Registration No. 01263890

# AUBREY ALLEN LIMITED

## STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 3 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	23	729,211		830,484	
Income taxes paid		(222,547)		(98,463)	
<b>Net cash inflow from operating activities</b>		<b>506,664</b>		<b>732,021</b>	
<b>Investing activities</b>					
Purchase of intangible assets		(20,065)		-	
Purchase of tangible fixed assets		(1,347,111)		(166,728)	
Proceeds on disposal of tangible fixed assets		-		10,000	
Purchase of current asset investments		-		(250,000)	
Proceeds from other investments and loans		1,200		1,200	
Interest received		1,708		2,391	
<b>Net cash used in investing activities</b>		<b>(1,364,268)</b>		<b>(403,137)</b>	
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(857,604)</b>		<b>328,884</b>	
Cash and cash equivalents at beginning of period		1,134,300		805,416	
<b>Cash and cash equivalents at end of period</b>		<b>276,696</b>		<b>1,134,300</b>	

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 3 OCTOBER 2020

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### 1 Accounting policies

#### Company Information

Aubrey Allen Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 1, 3040 Siskin Parkway East, Middlemarch Business Park, Coventry, West Midlands, CV3 4PE.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

During the period, the implications of the COVID-19 pandemic resulted in unprecedented economic consequences globally and locally in the United Kingdom. A further national lockdown was implemented in November 2020 and again in January 2021.

Whilst the impact to the Company has been significant, due to reduced hospitality sector demand, the company's cash and investment position continues to remain healthy. After reviewing the company's latest management information, forecasts of fixed costs and making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future, meeting its liabilities as they fall due.

The directors have considered a range of scenarios in light of the COVID-19 pandemic and whilst the quantum and timing of future revenue cannot be reliably estimated, even in worst case scenarios, the company still has adequate cash and liquid asset balances to meet liabilities as they fall due for at least 12 months from the approval of these financial statements. This assumes that the company has the ability to utilise the furlough scheme until September 2021 if required, however, this is not considered likely to the extent previously utilised due to continued expected lockdown restrictions easing over the next few months.

For the reasons set out above, the directors have prepared the financial statements on a going concern basis and have concluded the impact of COVID-19 does not create a material uncertainty in relation to going concern.

#### 1.3 Reporting period

These financial statements are prepared to the closest Saturday date to the 30 September, and as such financial statements are drawn up for a period of either 52 or 53 weeks. For this reason, the year end date changes from year to year.

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

### 1 Accounting policies

(Continued)

#### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	33.3% on cost
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#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Improvements to property	- 10% on cost or equal instalments over the period of the lease
Leasehold property	2% on cost
Fixtures and fittings	- 33.3% and 10% on cost
Computer equipment	- 33.3% on cost
Motor vehicles	- 33.3% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

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### 1 Accounting policies

(Continued)

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

Cost of stocks is measured on an average cost basis.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.



# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

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### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### *Other financial assets*

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### *Impairment of financial assets*

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### *Derecognition of financial assets*

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### *Classification of financial liabilities*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

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### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.14 Retirement benefits**

The company operates defined contribution pension schemes. Contributions payable to the company's pension schemes are charged to the profit and loss account in the period to which they relate. The Company has implemented its auto enrolment obligations.

#### **1.15 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.16 Government grants**

Government grants represent amounts received under the coronavirus job retention scheme and are recognised in other operating income when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met.

#### **1.17 Capitalisation policy**

The company does not capitalise any potential fixed assets if the cost of the asset is below £500, instead they are written off to profit and loss in the year the cost is incurred.

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2020

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2020 £	2019 £
<b>Turnover analysed by class of business</b>		
Catering and retail butchers	19,541,362	29,133,287
	<u>19,541,362</u>	<u>29,133,287</u>
	2020 £	2019 £
<b>Other significant revenue</b>		
Interest income	1,708	2,391
Grants received	1,087,979	-
	<u>1,089,687</u>	<u>2,391</u>
	2020 £	2019 £
<b>Turnover analysed by geographical market</b>		
UK	19,541,362	29,133,287
	<u>19,541,362</u>	<u>29,133,287</u>

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2020 Number	2019 Number
Selling and distribution	128	144
Administration	16	11
Directors	9	8
	<u>153</u>	<u>163</u>
<b>Total</b>	<u>153</u>	<u>163</u>

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

### 4 Employees (Continued)

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	5,097,470	5,646,873
Social security costs	453,032	503,059
Pension costs	327,973	301,111
	<u>5,878,475</u>	<u>6,451,043</u>

### 5 Operating (loss)/profit

	2020	2019
	£	£
Operating (loss)/profit for the period is stated after charging/(crediting):		
Government grants	(1,087,979)	-
Fees payable to the company's auditor for the audit of the company's financial statements	16,500	14,450
Depreciation of owned tangible fixed assets	419,828	469,228
Profit on disposal of tangible fixed assets	-	(10,000)
Operating lease charges	345,207	371,321
	<u>345,207</u>	<u>371,321</u>

### 6 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	716,997	972,891
Company pension contributions to defined contribution schemes	91,048	101,336
	<u>808,045</u>	<u>1,074,227</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 6 (2019 - 6).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2020	2019
	£	£
Remuneration for qualifying services	157,539	207,812
Company pension contributions to defined contribution schemes	19,750	18,416
	<u>157,539</u>	<u>207,812</u>

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

<b>7</b>	<b>Interest receivable and similar income</b>	<b>2020</b>	<b>2019</b>
		£	£
	<b>Interest income</b>		
	Interest on bank deposits	1,708	2,391
		<u>          </u>	<u>          </u>
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	1,708	2,391
		<u>          </u>	<u>          </u>
<b>8</b>	<b>Current asset investment movement</b>	<b>2020</b>	<b>2019</b>
	<b>fixed asset investments</b>	£	£
	Change in value of financial assets held at fair value through profit or loss	123,547	61,609
		<u>          </u>	<u>          </u>
<b>9</b>	<b>Tax on profit</b>	<b>2020</b>	<b>2019</b>
		£	£
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	(154,798)	222,471
	Adjustments in respect of prior periods	42,829	(45,638)
	<b>Total current tax</b>	<u>(111,969)</u>	<u>176,833</u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	38,839	4,103
		<u>          </u>	<u>          </u>
	<b>Total tax (credit)/charge</b>	<u>(73,130)</u>	<u>180,936</u>

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2020

### 9 Tax on profit

(Continued)

The actual (credit)/charge for the period can be reconciled to the expected (credit)/charge for the period based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
(Loss)/profit before taxation	(683,037)	1,079,645
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(129,777)	205,133
Tax effect of expenses that are not deductible in determining taxable profit	6,724	10,611
Gains not taxable	(9,042)	(11,705)
Permanent capital allowances in excess of depreciation	14,516	22,535
Under/(over)-provided in prior years	42,828	(45,638)
Deferred tax adjustments in respect of prior years	1,621	-
Taxation (credit)/charge for the period	(73,130)	180,936

### 10 Intangible fixed assets

	Goodwill £	Website £	Total £
<b>Cost</b>			
At 29 September 2019	150,650	-	150,650
Additions	-	20,065	20,065
At 3 October 2020	150,650	20,065	170,715
<b>Amortisation and impairment</b>			
At 29 September 2019 and 3 October 2020	150,650	-	150,650
<b>Carrying amount</b>			
At 3 October 2020	-	20,065	20,065
At 28 September 2019	-	-	-

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2020

11 Tangible fixed assets	Improvements to property £	Leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 29 September 2019	2,343,093	-	938,590	136,794	39,191	3,457,668
Additions	105,886	991,200	213,265	28,260	8,500	1,347,111
Disposals	-	-	(140,776)	-	-	(140,776)
<b>At 3 October 2020</b>	<u>2,448,979</u>	<u>991,200</u>	<u>1,011,079</u>	<u>165,054</u>	<u>47,691</u>	<u>4,664,003</u>
<b>Depreciation and impairment</b>						
At 29 September 2019	776,607	-	711,894	93,211	19,217	1,600,929
Depreciation charged in the period	230,195	-	145,266	29,836	14,531	419,828
Eliminated in respect of disposals	-	-	(140,776)	-	-	(140,776)
<b>At 3 October 2020</b>	<u>1,006,802</u>	<u>-</u>	<u>716,384</u>	<u>123,047</u>	<u>33,748</u>	<u>1,879,981</u>
<b>Carrying amount</b>						
At 3 October 2020	<u>1,442,177</u>	<u>991,200</u>	<u>294,695</u>	<u>42,007</u>	<u>13,943</u>	<u>2,784,022</u>
At 28 September 2019	<u>1,566,486</u>	<u>-</u>	<u>226,696</u>	<u>43,583</u>	<u>19,974</u>	<u>1,856,739</u>
<b>12 Financial instruments</b>				<b>2020</b>	<b>2019</b>	
				£	£	
<b>Carrying amount of financial assets</b>						
Instruments measured at fair value through profit or loss				3,148,797	3,025,250	
<b>13 Stocks</b>				<b>2020</b>	<b>2019</b>	
				£	£	
Finished goods and goods for resale				672,154	696,905	
<b>14 Debtors</b>				<b>2020</b>	<b>2019</b>	
<b>Amounts falling due within one year:</b>				£	£	
Trade debtors				1,618,798	2,711,822	
Corporation tax recoverable				112,045	-	
Other debtors				359,608	325,794	
Prepayments and accrued income				116,079	130,792	
				<u>2,206,530</u>	<u>3,168,408</u>	



# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 3 OCTOBER 2020

### 14 Debtors (Continued)

Included in trade debtors is a bad debt provision of £33,604 (2019: £39,254).

### 15 Current asset investments

	2020 £	2019 £
Listed investments	3,148,797	3,025,250
<b>Listed investments included above:</b>		
Listed investments carrying amount	<u>3,148,797</u>	<u>3,025,250</u>

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

	2020 £	2019 £
Trade creditors	1,019,049	848,918
Corporation tax	-	222,471
Other taxation and social security	98,352	173,467
Other creditors	81,790	370,958
Accruals and deferred income	352,573	137,220
	<u>1,551,764</u>	<u>1,753,034</u>

### 17 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>327,973</u>	<u>301,111</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

At the year end £29,382 (2019: £33,996) was included within other creditors.

### 18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2020 £	Liabilities 2019 £
<b>Balances:</b>		
Accelerated capital allowances	<u>101,893</u>	<u>63,054</u>

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

### 18 Deferred taxation (Continued)

	2020 £
<b>Movements in the period:</b>	
Liability at 29 September 2019	63,054
Charge to profit or loss	45,499
	108,553
Liability at 3 October 2020	108,553

The deferred tax liability set out above is expected to reverse within the foreseeable future and relates to accelerated capital allowances that are expected to mature within the same period.

### 19 Share capital

	2020 Number	2019 Number	2020 £	2019 £
<b>Ordinary share capital issued and fully paid</b>				
Ordinary shares of 10p each	213,220	213,220	21,322	21,322
	213,220	213,220	21,322	21,322

### 20 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	367,476	439,480
Between two and five years	346,216	552,331
In over five years	53,626	74,546
	767,318	1,066,357

### 21 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	858,165	975,367
	858,165	975,367

# AUBREY ALLEN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 3 OCTOBER 2020

### 21 Related party transactions

(Continued)

#### Transactions with related parties

During the period the company entered into the following transactions with related parties:

	Purchases	
	2020	2019
	£	£
Entities over which the entity has control, joint control or significant influence	34,000	34,000

The following amounts were outstanding at the reporting end date:

	2020	2019
	£	£
Amounts due from related parties		
Key management personnel	126,267	127,667

Balances are interest free, unsecured and repayable on demand.

### 22 Ultimate controlling party

The company is controlled by Mr P H Allen.

### 23 Cash generated from operations

	2020	2019
	£	£
(Loss)/profit for the period after tax	(609,907)	898,709
<b>Adjustments for:</b>		
Taxation (credited)/charged	(73,130)	180,936
Investment income	(1,708)	(2,391)
Gain on disposal of tangible fixed assets	-	(10,000)
Depreciation and impairment of tangible fixed assets	419,828	469,228
Amounts written off investments	(123,547)	(61,609)
<b>Movements in working capital:</b>		
Decrease in stocks	23,751	2,173
Decrease/(increase) in debtors	1,072,723	(436,479)
Increase/(decrease) in creditors	21,201	(210,083)
<b>Cash generated from operations</b>	<b>729,211</b>	<b>830,484</b>

**AUBREY ALLEN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 3 OCTOBER 2020**

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**24 Analysis of changes in net funds**

	<b>29 September 2019</b>	<b>Cash flows</b>	<b>3 October 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>1,134,300</b>	<b>(857,604)</b>	<b>276,696</b>