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Registration number: 10648703

APICA LTD

Annual Report and Financial Statements

for the Year Ended 31 December 2019

MCA Banbury Ltd
Chartered Accountants and Registered Auditors
4 - 6 The Wharf Centre
Wharf Street
Warwick
Warwickshire
CV34 5LB

APICA LTD

Contents

APICA LTD

Company Information

Director	Mr K P Tollgard
Registration number	10648703
Registered office	4 - 6 The Wharf Centre Wharf Street Warwick Warwickshire CV34 5LB
Auditors	MCA Banbury Ltd Chartered Accountants and Registered Auditors 4 - 6 The Wharf Centre Wharf Street Warwick Warwickshire CV34 5LB

APICA LTD

(Registration number: 10648703)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Debtors	5	270,558	111,998
Cash at bank and in hand		8,440	100,194
		278,998	212,192
Creditors: Amounts falling due within one year	6	(401,537)	(311,880)
Total assets less current liabilities		(122,539)	(99,688)
Creditors: Amounts falling due after more than one year	6	(2,230,739)	(1,934,879)
Net liabilities		(2,353,278)	(2,034,567)
Capital and reserves			
Called up share capital		100	100
Profit and loss account		(2,353,378)	(2,034,667)
Total equity		(2,353,278)	(2,034,567)

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on ....19th May 2020

Mr K P Tollgard

Director

1 General information

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

The address of its registered office is:
4 - 6 The Wharf Centre
Wharf Street
Warwick
Warwickshire
CV34 5LB
United Kingdom

The principal place of business is:
12 Hammersmith Grove
London
W6 7AP
United Kingdom

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation
These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in Sterling, which is the functional currency of the company. All monetary amounts are rounded to the nearest £.

Going concern
The financial statements have been prepared on a going concern basis.

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Notes to the Financial Statements for the Year Ended 31 December 2019

Audit report

The Independent Auditor's Report was qualified. Trade Debtors stated at £265,834 include amounts of £43,541 which have proved to be irrecoverable. No provision has been made in these financial statements for the non recoverability of these debtors and accordingly debtors are overstated by this amount.

Any adjustments that might have been found necessary in respect of the above would have a consequential significant effect, on the financial position of the company as 31 December 2019, the loss for the year and the related disclosures in the financial statements.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

The name of the Senior Statutory Auditor who signed the audit report on was Martin Cox FCA, who signed for and on behalf of MCA Banbury Ltd.

Judgements and estimates

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.

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.

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.

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.

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.

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.

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 statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

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 trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs 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.

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.

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.

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest.

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

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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 asserts 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.

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.

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

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 4 (2018 - 5).

4 Taxation

At the year end the company had unrelieved trading tax losses carried forward amounting to £2,319,835 (2018 - £2,008,277).

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Notes to the Financial Statements for the Year Ended 31 December 2019

5 Debtors

	2019 £	2018 £
Trade debtors	265,384	106,396
Prepayments	3,554	3,068
Other debtors	1,620	2,534
	270,558	111,998

6 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Bank loans and overdrafts	7	9	88
Trade creditors		1,350	1,063
Taxation and social security		21,261	87,753
Accruals		45,599	12,526
Other creditors		333,318	210,450
		401,537	311,880

Creditors: amounts falling due after more than one year

	2019 £	2018 £
Due after one year		
Other non-current financial liabilities	2,230,739	1,934,879

7 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Bank overdrafts	9	88

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	**£**	**No.**	**£**
A Ordinary Shares of £1 each	100	100	100	100

9 Related party transactions

The company has taken advantage of exemption under the terms of Financial Reporting Standard 102 "The Financial reporting Standard applicable in the UK and Republic of Ireland" not to disclose any transactions with any wholly owned entities within the same group.

10 Going concern

These financial statements have been prepared on the going concern basis, which may not be appropriate as the company has incurred net losses of £318,711 (2018 - £943,710), and reporting net liabilities of £2,353,278 (2018 - £2,034,567)

The validity of which is dependent upon the continued support of the company's parent undertaking Apica AB, to ensure adequate facilities are available for the company to discharge its liabilities as they fall due. As with any company placing reliance on other group entities for financial support, the director acknowledges that there can be no certainty that this support will continue indefinitely as the parent is experiencing similar difficulties, although at the date of approval of these financial statements, the company's parent undertaking has confirmed that the necessary support will be made available for the foreseeable future.

Based on this, the director believes that it remains appropriate to prepare financial statements on a going concern basis. The financial statements do not include any adjustments which would result from the basis of preparation being inappropriate.

11 Parent and ultimate parent undertaking

The company's immediate and ultimate parent is APICA AB, incorporated in Sweden, their address is Garvargatan 9, 112 21, Stockholm, Sweden.