

KORTEC LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Kortec Limited
Unaudited Financial Statements
For The Year Ended 31 December 2019

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Kortec Limited
Balance Sheet
As at 31 December 2019

Registered number: 09866638

	Notes	2019		2018	
		£	£	£	£
FIXED ASSETS					
Intangible Assets	3		60,571		71,571
Tangible Assets	4		712,992		14,710
			773,563		86,281
CURRENT ASSETS					
Stocks	5	249,247		197,040	
Debtors	6	450,453		349,549	
Cash at bank and in hand		31,914		276,885	
		731,614		823,474	
Creditors: Amounts Falling Due Within One Year	7	(726,209)		(415,126)	
NET CURRENT ASSETS (LIABILITIES)			5,405		408,348
TOTAL ASSETS LESS CURRENT LIABILITIES			778,968		494,629
Creditors: Amounts Falling Due After More Than One Year	8		(612,371)		(181,636)
NET ASSETS			166,597		312,993
CAPITAL AND RESERVES					
Called up share capital	10		200		100
Profit and Loss Account			166,397		312,893
SHAREHOLDERS' FUNDS			166,597		312,993

Kortec Limited
Balance Sheet (continued)
As at 31 December 2019

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

**Mr Mark
Groombridge**

Director

22/04/2020

The notes on pages 3 to 6 form part of these financial statements.

Kortec Limited
Notes to the Financial Statements
For The Year Ended 31 December 2019

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvements	Straight line over 5 to 10 years
Plant & Machinery	25% reducing balance
Fixtures & Fittings	25% reducing balance
Computer Equipment	33% straight line

1.5. Leasing and Hire Purchase Contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.6. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

Kortec Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2019

1.7. Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been applied to taxable profits, including adjustments for tax losses carried forward from previous years. The average number of employees included in the year was 14 (2018: 14).

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented with provisions for liabilities deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Net Book Value

As at 31 December 2019

104,571

As at 1 January 2019

11,000

Kortec Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2019

4. Tangible Assets

	Land & Property Improvements	Plant & Machinery	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£
Cost					
As at 1 January 2019	-	20,764	6,322	9,263	36,349
Additions	735,035	17,353	-	11,502	763,890
As at 31 December 2019	<u>735,035</u>	<u>38,117</u>	<u>6,322</u>	<u>20,765</u>	<u>800,239</u>
Depreciation					
As at 1 January 2019	-	11,789	3,622	6,228	21,639
Provided during the period	51,498	6,582	675	6,853	65,608
As at 31 December 2019	<u>51,498</u>	<u>18,371</u>	<u>4,297</u>	<u>13,081</u>	<u>87,247</u>
Net Book Value					
As at 31 December 2019	<u>683,537</u>	<u>19,746</u>	<u>2,025</u>	<u>7,684</u>	<u>712,992</u>
As at 1 January 2019	<u>-</u>	<u>8,975</u>	<u>2,700</u>	<u>3,035</u>	<u>14,710</u>

5. Stocks

	2019	2018
	£	£
Stock - materials	249,247	197,040
	<u>249,247</u>	<u>197,040</u>

6. Debtors

	2019	2018
	£	£
Due within one year		
Trade debtors	338,208	335,596
Prepayments and accrued income	52,187	13,895
Other debtors	58	58
Amounts owed by group undertakings	60,000	-
	<u>450,453</u>	<u>349,549</u>

Kortec Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2019

7. Creditors: Amounts Falling Due Within One Year

	2019	2018
	£	£
Net obligations under finance lease and hire purchase contracts	207,004	-
Trade creditors	418,625	314,554
Corporation tax	14,954	57,819
Other taxes and social security	11,980	589
VAT	38,248	35,379
Other creditors	-	821
Accruals and deferred income	35,398	5,964
	<u>726,209</u>	<u>415,126</u>

8. Creditors: Amounts Falling Due After More Than One Year

	2019	2018
	£	£
Net obligations under finance lease and hire purchase contracts	437,218	-
Other creditors	30,925	30,925
Directors loan account	144,228	150,711
	<u>612,371</u>	<u>181,636</u>

9. Obligations Under Finance Leases and Hire Purchase

	2019	2018
	£	£
The maturity of these amounts is as follows:		
Amounts Payable:		
Within one year	207,004	-
Between one and five years	437,218	-
	<u>644,222</u>	<u>-</u>
	<u>644,222</u>	<u>-</u>

10. Share Capital

	2019	2018
Allotted, Called up and fully paid	<u>200</u>	<u>100</u>

11. General Information

Kortec Limited is a private company, limited by shares, incorporated in England & Wales, registered number 09866638. The registered office is Zenith Point, Belmore Way, Westside Park, Derby, DE21 7AZ.