

REGISTERED NUMBER: 01237354 (England and Wales)

**Strategic Report, Report of the Director and**  
**Financial Statements**  
**for the Year Ended 31 January 2016**  
**for**  
**Owen Taylor and Sons Limited**

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**for the Year Ended 31 January 2016**

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**Owen Taylor and Sons Limited**  
**Company Information**  
**for the Year Ended 31 January 2016**

**DIRECTOR:**

R J O Taylor

**REGISTERED OFFICE:**

27 Main Road  
Leabrooks  
Alfreton  
Derbyshire  
DE55 1LA

**REGISTERED NUMBER:**

01237354 (England and Wales)

**AUDITORS:**

Bates Weston Audit Ltd  
Statutory Auditors  
Chartered Accountants  
The Mills  
Canal Street  
Derby  
DE1 2RJ

**Strategic Report**  
**for the Year Ended 31 January 2016**

The director presents his strategic report for the year ended 31 January 2016.

The company's principal activity continues to be that of predominantly a wholesale catering butcher and a single retail butchers shop.

**REVIEW OF BUSINESS**

The results for the period and financial position are shown in the financial statements.

Turnover for the year increased by over £1.3m on 2015 and the gross margin increased from 15.6% in 2015 to 17% in the current year. The profit before tax was £882,808 and resulted in positive cash flows during the period. This improved financial performance is in line with expectations, due to the continued improvement to the way the business is conducted.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company continues to face challenges from global food price increases, tight margins on sales and a greater than average risk of insolvency in the catering market.

**ORGANISATION**

The director continues to monitor the company's organisation and profitability with the intention of constantly improving them wherever possible.

**FINANCIAL INSTRUMENTS**

The company uses basic financial instruments, comprising hire purchase but due to the high cash resources in place, the need for other financial instruments are minimal.

**KEY PERFORMANCE INDICATORS**

Performance is measured by debtor days, sales margins by customer, bank balance and involves a review of the monthly management accounts.

**ON BEHALF OF THE BOARD:**

  
.....  
R J O Taylor - Director

Date: **15 AUG 2016**  
.....

**Report of the Director**  
**for the Year Ended 31 January 2016**

The director presents his report with the financial statements of the company for the year ended 31 January 2016.

**DIVIDENDS**

Interim dividends totalling £2.16298 per share were paid during the year. The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 31 January 2016 will be £130,000.

**DIRECTOR**

R J O Taylor held office during the whole of the period from 1 February 2015 to the date of this report.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ON BEHALF OF THE BOARD:**

  
.....  
R J O Taylor - Director

Date: **15 AUG 2016**  
.....

**Report of the Independent Auditors to the Members of**  
**Owen Taylor and Sons Limited**

We have audited the financial statements of Owen Taylor and Sons Limited for the year ended 31 January 2016 on pages six to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 a Report of the Auditors 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.

**Respective responsibilities of director and auditors**

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2016 and of its profit for the year 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of**  
**Owen Taylor and Sons Limited**

**Matters on which we are required to report by exception**

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ian Neal FCA CTA (Senior Statutory Auditor)  
for and on behalf of Bates Weston Audit Ltd  
Statutory Auditors  
Chartered Accountants  
The Mills  
Canal Street  
Derby  
DE1 2RJ

Date: **25 AUG 2016**

**Owen Taylor and Sons Limited (Registered number: 01237354)**

**Profit and Loss Statement**  
**for the Year Ended 31 January 2016**

	Notes	2016		2015	
		£	£	£	£
<b>TURNOVER</b>			16,065,727		14,735,968
Cost of sales			13,330,390		12,433,223
<b>GROSS PROFIT</b>			2,735,337		2,302,745
Distribution costs		803,452		761,812	
Administrative expenses		1,060,583		957,286	
			1,864,035		1,719,098
			871,302		583,647
Other operating income			12,484		13,850
<b>OPERATING PROFIT</b>	3		883,786		597,497
Interest receivable and similar income			2,423		2,150
			886,209		599,647
Interest payable and similar charges	4		3,401		5,489
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			882,808		594,158
Tax on profit on ordinary activities	5		249,594		88,404
<b>PROFIT FOR THE FINANCIAL YEAR</b>			633,214		505,754

The notes form part of these financial statements



**Owen Taylor and Sons Limited (Registered number: 01237354)**

**Other Comprehensive Income**  
**for the Year Ended 31 January 2016**

Notes	2016 £	2015 £
<b>PROFIT FOR THE YEAR</b>	633,214	505,754
<b>OTHER COMPREHENSIVE INCOME</b>		
Valuation movement	-	20,000
Income tax relating to other comprehensive income	-	(4,021)
	<hr/>	<hr/>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>	-	15,979
	<hr/>	<hr/>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>633,214</u>	<u>521,733</u>

The notes form part of these financial statements

**Owen Taylor and Sons Limited (Registered number: 01237354)**

**Balance Sheet  
31 January 2016**

	Notes	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	7	936,979	868,195
Investment property	8	60,500	90,000
		<u>997,479</u>	<u>958,195</u>
<b>CURRENT ASSETS</b>			
Stocks	9	1,143,080	1,079,555
Debtors	10	1,592,986	1,495,276
Investments	11	250,000	250,000
Cash at bank and in hand		981,980	625,921
		<u>3,968,046</u>	<u>3,450,752</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	1,392,801	1,379,530
<b>NET CURRENT ASSETS</b>		<u>2,575,245</u>	<u>2,071,222</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,572,724</u>	<u>3,029,417</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(7,767)	(39,674)
<b>PROVISIONS FOR LIABILITIES</b>	16	(116,521)	(44,521)
<b>NET ASSETS</b>		<u><u>3,448,436</u></u>	<u><u>2,945,222</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	60,102	60,102
Revaluation reserve	18	-	70,936
Capital redemption reserve	18	20,572	20,572
Retained earnings	18	3,367,762	2,793,612
<b>SHAREHOLDERS' FUNDS</b>		<u><u>3,448,436</u></u>	<u><u>2,945,222</u></u>

The financial statements were approved by the director on 15 AUG 2016 and were signed by:

  
 R J O Taylor - Director

The notes form part of these financial statements

**Owen Taylor and Sons Limited (Registered number: 01237354)**

**Statement of Changes in Equity**  
**for the Year Ended 31 January 2016**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
<b>Balance at 1 February 2014</b>	60,102	2,387,858	86,915	20,572	2,555,447
<b>Changes in equity</b>					
Dividends	-	(100,000)	-	-	(100,000)
Total comprehensive income	-	505,754	(15,979)	-	489,775
<b>Balance at 31 January 2015</b>	60,102	2,793,612	70,936	20,572	2,945,222
<b>Changes in equity</b>					
Dividends	-	(130,000)	-	-	(130,000)
Total comprehensive income	-	704,150	(70,936)	-	633,214
<b>Balance at 31 January 2016</b>	60,102	3,367,762	-	20,572	3,448,436

The notes form part of these financial statements

**Cash Flow Statement**  
**for the Year Ended 31 January 2016**

	Notes	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	22	910,760	838,907
Interest element of hire purchase payments paid		(3,401)	(5,489)
Tax paid		(94,594)	(67,404)
Net cash from operating activities		<u>812,765</u>	<u>766,014</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(204,466)	(311,066)
Purchase of investment property		(60,500)	-
Sale of tangible fixed assets		1,500	783
Sale of investment property		90,000	-
Interest received		2,423	2,150
Net cash from investing activities		<u>(171,043)</u>	<u>(308,133)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(49,056)	(54,908)
Amount introduced by directors		30,000	24,158
Amount withdrawn by directors		(136,607)	(5,849)
Equity dividends paid		(130,000)	(100,000)
Net cash from financing activities		<u>(285,663)</u>	<u>(136,599)</u>
<b>Increase in cash and cash equivalents</b>		<u>356,059</u>	<u>321,282</u>
<b>Cash and cash equivalents at beginning of year</b>	23	625,921	304,639
<b>Cash and cash equivalents at end of year</b>	23	<u><u>981,980</u></u>	<u><u>625,921</u></u>

The notes form part of these financial statements

**Notes to the Financial Statements**  
**for the Year Ended 31 January 2016**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Turnover**

Turnover represents the net sales of invoiced goods on despatch or pick-up, excluding value added tax. Turnover is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the company will receive the agreed upon payment.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Improvements to property	- 10% on cost
Plant and machinery	- 15% on reducing balance
Motor vehicles	- at varying rates on cost
Computer equipment	- 33% on cost

Freehold land is not depreciated.

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

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the profit and loss statement.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making allowances for obsolete and slow moving items. Cost is based on a first in, first out basis and is calculated as original purchase price plus labour costs of production and preparation.

At each reporting date, stock is assessed for impairment. If impaired, the carrying amount is reduced and the impairment loss is recognised immediately in profit or loss.

**Deferred tax**

Deferred tax arises from timing differences that are differences between taxable total profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

A deferred tax asset is recognised only when it is more likely than not that there will be suitable taxable profits from which the future reversal of underlying timing differences and losses can be deducted.

Provision is made at current rates for taxation deferred in respect of all material timing differences.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2016**

**1. ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period using the effective rate of interest. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as they are incurred.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as an expense when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

**Current asset investments**

Current asset investments are stated at cost less provision for permanent diminution in value.

**Grants**

Grants are recognised in the profit and loss account so as to match them with the expenditure towards which they are intended to contribute.

**Employee benefit trust**

Where the Company retains future economic benefit from, and has de facto control of, the assets and liabilities of the trust they are accounted for as assets and liabilities of the Company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date the assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the Company on the basis of employee's past services to the to the business and the Company can obtain no future economic benefit from those monies, such monies, whether in trust or accrued for by the Company, are charged to the profit and loss account in the period to which they relate.

**Judgements in applying accounting policies and key sources of estimation uncertainty**

Tangible fixed assets are depreciated over their useful economic lives taking in to account their residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

The recoverability of debtors is assessed on the likelihood and circumstances of the particular cost.

The value of stock is assessed for impairment. In re-assessing the stock value, factors such as slow movement and obsolescence are taken in to account.

Investment properties are not depreciated but are held at fair value based on the directors' judgement and experience taking into account local conditions, market values for similar properties and the company's long-term plans for their use at the balance sheet date. The assumptions are reviewed at least annually and revisions recognised in the current or previous period as is applicable.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2016**

**2. STAFF COSTS**

	2016	2015
	£	£
Wages and salaries	2,536,870	2,289,293
Social security costs	196,212	178,048
Other pension costs	179,957	180,580
	<u>2,913,039</u>	<u>2,647,921</u>

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

	2016	2015
Direct	94	86
Drivers	23	23
Administration	24	24
	<u>141</u>	<u>133</u>

**3. OPERATING PROFIT**

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

	2016	2015
	£	£
Depreciation - owned assets	110,948	71,172
Depreciation - assets on hire purchase contracts	24,734	27,581
Profit on disposal of fixed assets	(1,500)	(783)
Auditors' remuneration	8,250	8,250
Other operating leases	<u>29,741</u>	<u>31,052</u>
Director's remuneration	11,606	18,879
Director's pension contributions to money purchase schemes	<u>71,150</u>	<u>84,720</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2016	2015
Money purchase schemes	<u>1</u>	<u>1</u>

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2016	2015
	£	£
Hire purchase	<u>3,401</u>	<u>5,489</u>





**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2016**

6. **DIVIDENDS**

	2016 £	2015 £
Interim	<u>130,000</u>	<u>100,000</u>

7. **TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Plant and machinery £
<b>COST</b>			
At 1 February 2015	249,974	473,291	900,159
Additions	-	-	97,919
Disposals	-	-	(1,045)
At 31 January 2016	<u>249,974</u>	<u>473,291</u>	<u>997,033</u>
<b>DEPRECIATION</b>			
At 1 February 2015	102,742	473,291	614,663
Charge for year	4,467	-	47,854
Eliminated on disposal	-	-	(1,045)
At 31 January 2016	<u>107,209</u>	<u>473,291</u>	<u>661,472</u>
<b>NET BOOK VALUE</b>			
At 31 January 2016	<u>142,765</u>	<u>-</u>	<u>335,561</u>
At 31 January 2015	<u>147,232</u>	<u>-</u>	<u>285,496</u>
	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 February 2015	497,274	268,920	2,389,618
Additions	95,709	10,838	204,466
Disposals	(74,304)	-	(75,349)
At 31 January 2016	<u>518,679</u>	<u>279,758</u>	<u>2,518,735</u>
<b>DEPRECIATION</b>			
At 1 February 2015	272,270	58,457	1,521,423
Charge for year	58,859	24,502	135,682
Eliminated on disposal	(74,304)	-	(75,349)
At 31 January 2016	<u>256,825</u>	<u>82,959</u>	<u>1,581,756</u>
<b>NET BOOK VALUE</b>			
At 31 January 2016	<u>261,854</u>	<u>196,799</u>	<u>936,979</u>
At 31 January 2015	<u>225,004</u>	<u>210,463</u>	<u>868,195</u>

Included in cost of land and buildings is freehold land of £26,620 (2015 - £26,620) which is not depreciated.

The net book value of tangible fixed assets includes £71,415 (2015 - £125,210) in respect of assets held under hire purchase contracts.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2016**

**8. INVESTMENT PROPERTY**

	Total £
<b>FAIR VALUE</b>	
At 1 February 2015	90,000
Additions	60,500
Disposals	(90,000)
	<hr/>
At 31 January 2016	60,500
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 January 2016	60,500
	<hr/>
At 31 January 2015	90,000
	<hr/>

Cost or valuation at 31 January 2016 is represented by:

	£
Valuation in 2016	60,500
	<hr/>

If investment property had not been revalued it would have been included at the following historical cost:

	2016 £	2015 £
Cost	60,500	2,981
	<hr/>	<hr/>
Aggregate depreciation	(1,210)	(2,340)
	<hr/>	<hr/>

Investment property was valued on a fair value basis on 31 January 2016 by the director.

**9. STOCKS**

	2016 £	2015 £
Consumables, packaging and hygiene	30,066	20,019
Raw meat/produce	1,113,014	1,059,536
	<hr/>	<hr/>
	1,143,080	1,079,555
	<hr/>	<hr/>

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade debtors	1,439,874	1,332,352
Other debtors	79,756	92,069
Prepayments	73,356	70,855
	<hr/>	<hr/>
	1,592,986	1,495,276
	<hr/>	<hr/>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2016**

**11. CURRENT ASSET INVESTMENTS**

	2016	2015
	£	£
Unlisted investments	50,000	50,000
Other	200,000	200,000
	<u>250,000</u>	<u>250,000</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016	2015
	£	£
Hire purchase contracts (see note 14)	31,907	49,056
Trade creditors	1,027,065	979,281
Tax	178,000	95,000
Social security and other taxes	57,215	50,285
Other creditors	60,007	68,931
Director's current account	1,594	108,201
Accrued expenses	37,013	28,776
	<u>1,392,801</u>	<u>1,379,530</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2016	2015
	£	£
Hire purchase contracts (see note 14)	<u>7,767</u>	<u>39,674</u>

**14. LEASING AGREEMENTS**

Obligations under hire purchase contracts and leases:

	Hire purchase contracts	
	2016	2015
	£	£
Net obligations repayable:		
Within one year	31,907	49,056
Between one and five years	7,767	39,674
	<u>39,674</u>	<u>88,730</u>

The following operating lease payments are committed to be paid.

	Other operating leases	
	2016	2015
	£	£
Obligations repayable:		
Within one year	16,120	17,167
Between one and five years	13,620	17,491
	<u>29,740</u>	<u>34,658</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2016**

**15. SECURED DEBTS**

The following secured debts are included within creditors:

	2016 £	2015 £
Hire purchase contracts	<u>39,674</u>	<u>88,730</u>

Hire purchase balances are secured against the assets to which they relate.

**16. PROVISIONS FOR LIABILITIES**

	2016 £	2015 £
Deferred tax		
Accelerated capital allowances	116,521	30,923
Tax losses carried forward	-	(2,485)
Property revaluation	-	16,083
	<u>116,521</u>	<u>44,521</u>
		Deferred tax
		£
Balance at 1 February 2015		44,521
Provided during year		<u>72,000</u>
Balance at 31 January 2016		<u>116,521</u>

**17. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
60,102	Ordinary	£1	<u>60,102</u>	<u>60,102</u>

**18. RESERVES**

	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 February 2015	2,793,612	70,936	20,572	2,885,120
Profit for the year	633,214			633,214
Dividends	(130,000)			(130,000)
Realised on disposal	70,936	(70,936)	-	-
At 31 January 2016	<u>3,367,762</u>	<u>-</u>	<u>20,572</u>	<u>3,388,334</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2016**

**19. RELATED PARTY DISCLOSURES**

The director maintains an interest free current account with the company. At the balance sheet date the amount owing to the director is shown in the creditors note. The balance is repayable upon demand.

The director and his wife purchased the investment property from the company at book value of £90,000 during the year.

Other current asset investments relate to assets of an Employee Benefit Trust to provide benefits to officers and employees and their wider families.

During the year interim dividends of £130,000 (2015: £100,000) were paid to the director and his wife.

**20. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is R J O Taylor.

**21. EMPLOYEE BENEFITS**

Included in the notes to the financial statements are payments to the employee benefit trust of £nil (2015: £nil) and defined contribution pension scheme of £179,957 (2015: £180,580).

**22. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2016 £	2015 £
Profit before taxation	882,808	594,158
Depreciation charges	135,682	98,753
Profit on disposal of fixed assets	(1,500)	(783)
Finance costs	3,401	5,489
Finance income	(2,423)	(2,150)
	<hr/>	<hr/>
	1,017,968	695,467
Increase in stocks	(63,525)	(44,663)
Increase in trade and other debtors	(97,710)	(27,596)
Increase in trade and other creditors	54,027	215,699
	<hr/>	<hr/>
<b>Cash generated from operations</b>	<b>910,760</b>	<b>838,907</b>
	<hr/>	<hr/>

**23. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 January 2016**

	31.1.16 £	1.2.15 £
Cash and cash equivalents	981,980	625,921
	<hr/>	<hr/>

**Year ended 31 January 2015**

	31.1.15 £	1.2.14 £
Cash and cash equivalents	625,921	304,639
	<hr/>	<hr/>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 January 2016**

**24. FRS 102 TRANSITION**

The following adjustments arose at the transition date of 1 February 2014 as a result of a change in the calculation of hire purchase interest from a straight line basis to an effective rate basis, an inclusion of a holiday pay accrual and the inclusion of a deferred tax provision for taxation not previously provided on revalued property.

**Reconciliation of Equity**  
**1 February 2014**  
**(Date of Transition to FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Tangible assets	7	603,610	-	603,610
Investment property	8	110,000	-	110,000
		<u>713,610</u>	<u>-</u>	<u>713,610</u>
<b>CURRENT ASSETS</b>				
Stocks	9	1,034,892	-	1,034,892
Debtors	10	1,467,680	-	1,467,680
Investments	11	250,000	-	250,000
Cash at bank and in hand		304,639	-	304,639
		<u>3,057,211</u>	<u>-</u>	<u>3,057,211</u>
<b>CREDITORS</b>				
Amounts falling due within one year	12	(1,118,697)	(2,227)	(1,120,924)
<b>NET CURRENT ASSETS</b>		<u>1,938,514</u>	<u>(2,227)</u>	<u>1,936,287</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,652,124</u>	<u>(2,227)</u>	<u>2,649,897</u>
<b>CREDITORS</b>				
Amounts falling due after more than one year	13	(43,680)	(2,228)	(45,908)
<b>PROVISIONS FOR LIABILITIES</b>	16	(28,438)	(20,104)	(48,542)
<b>NET ASSETS</b>		<u>2,580,006</u>	<u>(24,559)</u>	<u>2,555,447</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	17	60,102	-	60,102
Revaluation reserve	18	107,019	(20,104)	86,915
Capital redemption reserve	18	20,572	-	20,572
Retained earnings	18	2,392,313	(4,455)	2,387,858
<b>SHAREHOLDERS' FUNDS</b>		<u>2,580,006</u>	<u>(24,559)</u>	<u>2,555,447</u>

The notes form part of these financial statements

**Reconciliation of Equity - continued**  
**31 January 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
<b>FIXED ASSETS</b>				
Tangible assets	7	868,195	-	868,195
Investment property	8	90,000	-	90,000
		<u>958,195</u>	<u>-</u>	<u>958,195</u>
<b>CURRENT ASSETS</b>				
Stocks	9	1,079,555	-	1,079,555
Debtors	10	1,495,276	-	1,495,276
Investments	11	250,000	-	250,000
Cash at bank and in hand		625,921	-	625,921
		<u>3,450,752</u>	<u>-</u>	<u>3,450,752</u>
<b>CREDITORS</b>				
Amounts falling due within one year	12	(1,378,823)	(707)	(1,379,530)
<b>NET CURRENT ASSETS</b>		<u>2,071,929</u>	<u>(707)</u>	<u>2,071,222</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,030,124	(707)	3,029,417
<b>CREDITORS</b>				
Amounts falling due after more than one year	13	(37,498)	(2,176)	(39,674)
<b>PROVISIONS FOR LIABILITIES</b>	16	(28,438)	(16,083)	(44,521)
<b>NET ASSETS</b>		<u>2,964,188</u>	<u>(18,966)</u>	<u>2,945,222</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	17	60,102	-	60,102
Revaluation reserve	18	87,019	(16,083)	70,936
Capital redemption reserve	18	20,572	-	20,572
Retained earnings	18	2,796,495	(2,883)	2,793,612
<b>SHAREHOLDERS' FUNDS</b>		<u>2,964,188</u>	<u>(18,966)</u>	<u>2,945,222</u>

The notes form part of these financial statements



**Reconciliation of Profit**  
**for the Year Ended 31 January 2015**

	<b>UK GAAP £</b>	<b>Effect of transition to FRS 102 £</b>	<b>FRS 102 £</b>
<b>TURNOVER</b>	14,735,968	-	14,735,968
Cost of sales	(12,436,394)	3,171	(12,433,223)
<b>GROSS PROFIT</b>	2,299,574	3,171	2,302,745
Distribution costs	(761,812)	-	(761,812)
Administrative expenses	(957,287)	1	(957,286)
Other operating income	13,850	-	13,850
<b>OPERATING PROFIT</b>	594,325	3,172	597,497
Interest receivable and similar income	2,150	-	2,150
Interest payable and similar charges	(4,889)	(600)	(5,489)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	591,586	2,572	594,158
Tax on profit on ordinary activities	(87,404)	(1,000)	(88,404)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	504,182	1,572	505,754

The notes form part of these financial statements