

Company Registration No. 01306737 (England and Wales)

BONNINGTON PLASTICS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018



BONNINGTON PLASTICS LIMITED

COMPANY INFORMATION



| | |
|--------------------------|--|
| Directors | Ian Charles Fisher Paul Andrew Cavanagh Sergio Pasquale Tartaglia |
| Company number | 01306737 |
| Registered office | Goldfish Eco Business Hub 9 Glaisdale Parkway Nottingham England NG8 4GP |
| Auditor | UHY Hacker Young LLP 14 Park Row Nottingham Nottinghamshire NG1 6GR |
| Business address | Goldfish Eco Business Hub 9 Glaisdale Parkway Nottingham England NG8 4GP |

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The board of directors (the "**Directors**") of Bonnington Plastics Limited (the "**Company**") and its subsidiaries (the "**Group**") present the strategic report for the year ended 31 December 2018 ("**Strategic Report**").

Fair review of the business

Sales have increased to £31,301,662 (2017: £29,294,736) due mainly to reporting full year results for Wido Limited (formerly Beauty4Less Limited), instead of the 5 months included in 2017 due to the acquisition of Wido Limited by the Company on 31 July 2017.

Margins have improved slightly to 27% (2017: 26%) due to a sales mix more in favour of the Wido Limited internet business that has a higher gross profit margin.

Net profit before tax has decreased to £317,477 (2017: £400,406) because costs have been higher during 2018 due in part to investment in the re-branding of the Wido Limited internet business and creation of a dedicated warehouse facility for Wido Limited.

The Directors are satisfied with the Group result in the current uncertain economic conditions created by the Brexit process.

Principal risks and uncertainties

The Group's activities expose it to a number of financial risks including credit risk, liquidity risk, cash flow and price risk.

Credit risk: The Group's principal financial assets are bank balances, cash and trade and other receivables. The Group's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debts. The Company has credit insurance policies in place to cover most trade debt. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings. The Group has no significant concentration of uninsured credit risk.

Liquidity risk: The Group monitors its cash flow on a daily basis as part of its normal control procedures.

Cash flow and price risk: The Group is exposed to price and cash flow risk as the majority of its products are imported into the United Kingdom ("**UK**"). The volatility of the global economy exposes the Group to both currency fluctuations and changes in freight costs. To mitigate these risks the Company uses financial instruments such as foreign exchange forward contracts. None of these transactions are of a speculative nature.

BONNINGTON PLASTICS LIMITED

**STRATEGIC REPORT FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)**



Key performance indicators

The Group's key financial and other performance indicators during the year were as follows:

| | Year to 31 December 2018 | Year to 31 December 2017 |
|------------------------------|---------------------------------|---------------------------------|
| Turnover | £31,301,662 | £29,294,736 |
| Gross profit | £8,535,618 | £7,505,642 |
| Gross profit | 27% | 26% |
| Net profit before tax | £317,477 | £400,406 |

On behalf of the Directors

Paul Andrew Cavanagh

Paul Andrew Cavanagh

Director

Date: *16/8/19*

The Directors present their annual report consisting of the Directors' report ("**Directors' Report**") and the financial statements (being the Group profit and loss account, the Group statement of comprehensive income, the Group balance sheet, the Company balance sheet, the Group statement of changes in equity, the Company statement of changes in equity, the Group statement of cash flows and notes to the financial statements) ("**Annual Report**").

The definition of words and expressions applied in the Directors' Report, Annual Report, Strategic Report and Statement of Directors Responsibilities apply to all sections of the 'Annual Report and Financial Statements' with the exception of the independent auditors report where the definition of words and expressions given in the independent auditors report applies.

Principal activities

The Group's principal activity is the wholesale of gardening, catering, other seasonal and festive related products, together with the online selling of beauty salon equipment, consumables and other miscellaneous goods.

Directors

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

Ian Charles Fisher

Paul Andrew Cavanagh

Sergio Pasquale Tartaglia

Mark Lawrence Mettam

(Resigned 21 December 2018)

Results and dividends

The Group results for the year are set out on page 8.

Ordinary dividends were paid amounting to £100,000 (2017: £833,865). The Directors do not recommend payment of a further dividend.

Auditor

In accordance with the Companies Act 2006 ("CA 2006"), a written resolution proposing that UHY Hacker Young LLP be reappointed as auditor of the Group has been put to the member and passed.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report in accordance with applicable law and regulations.

CA 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and the Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 ("**Relevant Company Law**") together require the Directors to prepare financial statements for each financial year. The Directors have elected to prepare financial statements in accordance with UK Generally Accepted Accounting Practice ("**UKGAAP**"), which includes Financial Reporting Standard 102 ("**FRS102**").

Under Relevant 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 and profit and loss of the Group and Company for the relevant 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 UKGAAP standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with CA 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a Director at the date of approving this Directors' Report is aware, there is no relevant audit information of which the auditor of the Group and the Company is unaware. Additionally, 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 auditor of the Group and of the Company is aware of that information.

On behalf of the Directors



Paul Andrew Cavanagh
Director

Date: 16/8/19

BONNINGTON PLASTICS LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
BONNINGTON PLASTICS LIMITED**

Opinion

We have audited the financial statements of Bonnington Plastics Limited (the "**Company**") and its subsidiaries (the "**Group**") for the year ended 31 December 2018 which comprise the Group profit and loss account, the Group statement of comprehensive income, the Group balance sheet, the Company balance sheet, the Group statement of changes in equity, the Company statement of changes in equity, the Group statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies ("**Financial Statements**"). The financial reporting framework that has been applied in their preparation is UK Generally Accepted Accounting Practice ("**UKGAAP**"), which includes Financial Reporting Standard 102 ("**FRS102**").

In our opinion the Financial Statements:

- give a true and fair view of the state of the Group's and the Company's affairs as at 31 December 2018 and of its profit;
- have been properly prepared in accordance with UKGAAP; and
- have been prepared in accordance with the requirements of the Companies Act 2006 ("**CA 2006**").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("**ISAs (UK)**"), CA 2006, and all other legislation referred to in ISAs (UK) ("**Relevant Company Law**"). Our responsibilities under ISAs (UK) and Relevant Company Law are further described in the 'Auditor's responsibilities for the audit of the Financial Statements' section of this report ("**Independent Auditor's Report**")

We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Financial Statements, including the Financial Reporting Council's ("**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 board of directors (the "**Directors**") of the Company 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 Group's or 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.

BONNINGTON PLASTICS LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
BONNINGTON PLASTICS LIMITED (CONTINUED)**

Other information

The Directors are responsible for the other information ("**Other Information**") which comprises the strategic report ("**Strategic Report**") and the directors' report ("**Directors' Report**"). Our opinion on the Financial Statements does not cover the Other Information and, except to the extent otherwise explicitly stated in this Independent Auditor's 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 CA 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 year 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 Relevant Company Law and UKGAAP.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in either the Strategic Report nor the Directors' Report.

We have nothing to report in respect of the following matters where the CA 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, 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.

BONNINGTON PLASTICS LIMITED

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
BONNINGTON PLASTICS LIMITED (CONTINUED)**

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities within the Directors' Report, 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 Group's and 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 Group or the Company or to cease operations, or have no realistic alternative but to do so.

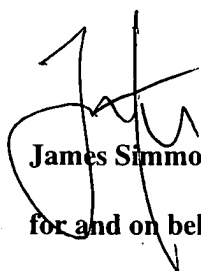
Auditor's responsibilities for the audit of the Financial Statements

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 independent 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 FRC's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Independent Auditor's Report.

Use of our report

This Independent Auditor's Report is made solely to the Company's member, in accordance with Chapter 3 of Part 16 of the CA 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to it in an independent 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 member, for our audit work, for this Independent Auditor's Report, or for the opinions we have formed.



James Simmonds (Senior Statutory Auditor)

for and on behalf of UHY Hacker Young LLP

**Chartered Accountants
Statutory Auditor**

16 August 2019

BONNINGTON PLASTICS LIMITED**GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED
31 DECEMBER 2018**

| | Notes | 2018 £ | 2017 £ |
|--|-----------|--------------|--------------|
| Turnover | 3 | 31,301,662 | 29,294,736 |
| Cost of sales | | (22,766,044) | (21,789,094) |
| Gross profit | | 8,535,618 | 7,505,642 |
| Distribution costs | | (3,614,472) | (2,464,793) |
| Administrative expenses | | (4,433,697) | (4,539,305) |
| Operating profit | 4 | 487,449 | 501,544 |
| Interest receivable and similar income | 8 | 750 | 29,167 |
| Interest payable and similar expenses | 9 | (170,722) | (130,305) |
| Profit before taxation | | 317,477 | 400,406 |
| Tax on profit | 10 | (71,053) | (85,311) |
| Profit for the financial year | 25 | 246,424 | 315,095 |

Profit for the financial year is all attributable to the parent company.

BONNINGTON PLASTICS LIMITED**GROUP STATEMENT OF COMPREHENSIVE
INCOME FOR THE YEAR ENDED
31 DECEMBER 2018**

| | 2018 £ | 2017 £ |
|---|-----------------|------------------|
| Profit for the year | <u>246,424</u> | <u>315,095</u> |
| Other comprehensive income/(loss) | | |
| Currency translation differences on subsidiary undertakings | (3,610) | 4,468 |
| Cash flow hedges gain/(loss) arising in the year | 451,012 | (712,235) |
| Tax relating to other comprehensive income | <u>(76,672)</u> | <u>73,674</u> |
| Other comprehensive income/(loss) for the year | <u>370,730</u> | <u>(634,093)</u> |
| Total comprehensive income/(loss) for the year | <u>617,154</u> | <u>(318,998)</u> |

Total comprehensive income/(loss) for the year is all attributable to the parent company.

BONNINGTON PLASTICS LIMITED
**GROUP BALANCE SHEET AS AT
31 DECEMBER 2018**


| | Notes | 2018 £ | 2017 £ |
|--|-------|-------------|-------------|
| Fixed assets | | | |
| Goodwill | 12 | 675,915 | 754,662 |
| Other intangible assets | 12 | 86,820 | - |
| Total intangible assets | | 762,735 | 754,662 |
| Tangible assets | 13 | 899,380 | 726,555 |
| | | 1,662,115 | 1,481,217 |
| Current assets | | | |
| Stock | 17 | 7,430,929 | 7,865,237 |
| Debtors | 18 | 3,231,720 | 3,179,167 |
| Cash at bank and in hand | | 532,179 | 834,670 |
| | | 11,194,828 | 11,879,074 |
| Creditors: amounts falling due within one year | 19 | (8,424,587) | (9,168,537) |
| Net current assets | | 2,770,241 | 2,710,537 |
| Total assets less current liabilities | | 4,432,356 | 4,191,754 |
| Creditors: amounts falling due after more than one year | 20 | (72,333) | (436,800) |
| Provisions for liabilities | | | |
| Deferred tax liability | 22 | (87,915) | - |
| | | (87,915) | - |
| Net assets | | 4,272,108 | 3,754,954 |
| Capital and reserves | | | |
| Called up share capital | 24 | 200,000 | 200,000 |
| Hedging reserve | 25 | 49,861 | (324,479) |
| Other reserve | 25 | (37,090) | (33,480) |
| Profit and loss account | 25 | 4,059,337 | 3,912,913 |
| Total equity | | 4,272,108 | 3,754,954 |

BONNINGTON PLASTICS LIMITED

**GROUP BALANCE SHEET AS AT
31 DECEMBER 2018 (CONTINUED)**



The Financial Statements were approved by the Directors and authorised for issue on 16/8/19
and are signed on their behalf by:

Paul Andrew Cavanagh

Paul Andrew Cavanagh
Director

Date 16/8/19

BONNINGTON PLASTICS LIMITED

**COMPANY BALANCE SHEET AS AT
31 DECEMBER 2018**



| | | 2018 | | 2017 | |
|--|-------|------------------|-------------------------|-------------------|-------------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 13 | | 878,385 | | 721,442 |
| Investments | 14 | | 749,586 | | 749,586 |
| | | | <u>1,627,971</u> | | <u>1,471,028</u> |
| Current assets | | | | | |
| Stock | 17 | 7,197,943 | | 7,783,670 | |
| Debtors | 18 | 2,413,719 | | 2,357,834 | |
| Cash at bank and in hand | | 97,291 | | 474,882 | |
| | | <u>9,708,953</u> | | <u>10,616,386</u> | |
| Creditors: amounts falling due within one year | 19 | (6,867,322) | | (7,749,680) | |
| Net current assets | | | <u>2,841,631</u> | | <u>2,866,706</u> |
| Total assets less current liabilities | | | <u>4,469,602</u> | | <u>4,337,734</u> |
| Creditors: amounts falling due after more than one year | 20 | | (72,333) | | (436,800) |
| Provisions for liabilities | | | | | |
| Deferred tax liability | 22 | (87,915) | | - | |
| | | | <u>(87,915)</u> | | <u>-</u> |
| Net assets | | | <u><u>4,309,354</u></u> | | <u><u>3,900,934</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | 24 | | 200,000 | | 200,000 |
| Hedging reserve | 25 | | 49,861 | | (324,479) |
| Profit and loss account | 25 | | 4,059,493 | | 4,025,413 |
| Total equity | | | <u><u>4,309,354</u></u> | | <u><u>3,900,934</u></u> |

BONNINGTON PLASTICS LIMITED

**COMPANY BALANCE SHEET AS AT
31 DECEMBER 2018 (CONTINUED)**



As permitted by section 408 of the CA 2006, the Company has not presented its own profit and loss account and related notes. The Company's profit for the year was £134,080 (2017: £247,244).

The Financial Statements were approved by the Directors and authorised for issue on 16/8/19 and are signed on their behalf by:

Paul Andrew Cavanagh

Paul Andrew Cavanagh

Director

Date 16/8/19

Company Registration No. 01306737

BONNINGTON PLASTICS LIMITED
**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
31 DECEMBER 2018**


| | | Share capital | Hedging reserve | Other reserves | Profit and loss account | Total |
|--|-------|------------------|--------------------|-------------------|----------------------------|-----------|
| | Notes | £ | £ | £ | £ | £ |
| Balance at 1 January 2017 | | 200,000 | 314,082 | (37,948) | 4,431,683 | 4,907,817 |
| Year ended 31 December 2017: | | | | | | |
| Profit for the year | | - | - | - | 315,095 | 315,095 |
| Other comprehensive (loss)/income: | | | | | | |
| Movement on foreign exchange | | - | - | 4,468 | - | 4,468 |
| Cash flow hedges losses arising in the year | | - | (712,235) | - | - | (712,235) |
| Tax relating to other comprehensive income | | - | 73,674 | - | - | 73,674 |
| Total comprehensive (loss)/income for the year | | - | (638,561) | 4,468 | 315,095 | (318,998) |
| Dividends | 11 | - | - | - | (833,865) | (833,865) |
| Balance at 31 December 2017 | | 200,000 | (324,479) | (33,480) | 3,912,913 | 3,754,954 |
| Year ended 31 December 2018: | | | | | | |
| Profit for the year | | - | - | - | 246,424 | 246,424 |
| Other comprehensive income/(loss): | | | | | | |
| Movement on foreign exchange | | - | - | (3,610) | - | (3,610) |
| Cash flow hedges gains arising in the year | | - | 451,012 | - | - | 451,012 |
| Tax relating to other comprehensive income | | - | (76,672) | - | - | (76,672) |
| Total comprehensive income/(loss) for the year | | - | 374,340 | (3,610) | 246,424 | 617,154 |
| Dividends | 11 | - | - | - | (100,000) | (100,000) |
| Balance at 31 December 2018 | | 200,000 | 49,861 | (37,090) | 4,059,337 | 4,272,108 |

**COMPANY STATEMENT OF
CHANGES IN EQUITY FOR THE YEAR ENDED
31 DECEMBER 2018**

| | | Share capital | Hedging reserve | Profit and loss account | Total |
|--|-------|------------------|--------------------|----------------------------|-----------|
| | Notes | £ | £ | £ | £ |
| Balance at 1 January 2017 | | 200,000 | 314,082 | 4,612,034 | 5,126,116 |
| Year ended 31 December 2017: | | | | | |
| Profit for the year | | - | - | 247,244 | 247,244 |
| Other comprehensive (loss)/income: | | | | | |
| Cash flow hedges losses arising in the year | | - | (712,235) | - | (712,235) |
| Tax relating to other comprehensive income | | - | 73,674 | - | 73,674 |
| Total comprehensive (loss)/income for the year | | - | (638,561) | 247,244 | (391,317) |
| Dividends | 11 | - | - | (833,865) | (833,865) |
| Balance at 31 December 2017 | | 200,000 | (324,479) | 4,025,413 | 3,900,934 |
| Year ended 31 December 2018: | | | | | |
| Profit for the year | | - | - | 134,080 | 134,080 |
| Other comprehensive income: | | | | | |
| Cash flow hedges gains arising in the year | | - | 451,012 | - | 451,012 |
| Tax relating to other comprehensive income | | - | (76,672) | - | (76,672) |
| Total comprehensive income for the year | | - | 374,340 | 134,080 | 508,420 |
| Dividends | 11 | - | - | (100,000) | (100,000) |
| Balance at 31 December 2018 | | 200,000 | 49,861 | 4,059,493 | 4,309,354 |

BONNINGTON PLASTICS LIMITED
**GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
31 DECEMBER 2018**


| | | 2018 | 2017 |
|---|-------|--------------------|--------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 31 | 1,458,512 | 1,934,861 |
| Interest paid | | (170,722) | (121,487) |
| Taxation paid | | (164,286) | (302,395) |
| Net cash inflow from operating activities | | 1,123,504 | 1,510,979 |
| Investing activities | | | |
| Purchase of business including overdraft acquired | | - | (870,865) |
| Purchase of intangible assets | | (88,292) | - |
| Purchase of tangible fixed assets | | (324,107) | (182,188) |
| Proceeds on disposal of tangible fixed assets | | 3,200 | - |
| Interest received | | 750 | 29,167 |
| Net cash used in investing activities | | (408,449) | (1,023,886) |
| Financing activities | | | |
| Proceeds from borrowings | | - | 728,000 |
| Repayment of borrowings | | (390,000) | (145,600) |
| Repayment of financing arrangements | | (554,708) | (283,350) |
| Payment of finance lease obligations | | (13,368) | (8,954) |
| Dividends paid to equity shareholders | | (100,000) | (833,865) |
| Net cash used in financing activities | | (1,058,076) | (543,769) |
| Net decrease in cash and cash equivalents | | (343,021) | (56,676) |
| Cash and cash equivalents at beginning of year | | 553,476 | 692,918 |
| Effect of foreign exchange rates | | (1,485) | (82,766) |
| Cash and cash equivalents at end of year | | 208,970 | 553,476 |
| Relating to: | | | |
| Cash at bank and in hand | | 532,179 | 834,670 |
| Bank overdrafts included in creditors payable within one year | | (323,209) | (281,194) |

1 Accounting policies

Company information

The Company is a private limited company domiciled and incorporated in England and Wales. The registered office is Goldfish Eco Business Hub, 9 Glaisdale Parkway, Nottingham, England, NG8 4GP.

1.1 Accounting convention

These Financial Statements have been prepared in accordance with FRS 102 as part of UKGAAP and the requirements of Relevant Company Law.

The Financial Statements are prepared in sterling, which is the functional currency of the Group and the Company. Monetary amounts in these Financial Statements are rounded to the nearest pound sterling.

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

1.2 Basis of consolidation

In the Group profit and loss account, the Group statement of comprehensive income, the Group balance sheet, the Group statement of changes in equity and the Group statement of cash flows ("**Group Financial Statements**"), the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. Investments in subsidiaries are accounted for at cost less impairment.

The Group Financial Statements incorporate those of the Company and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

The Group Financial Statements are made up to 31 December 2018. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

In the Group Financial Statements all transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Group profit and loss account and Group statement of cash flows include the results and cash flows of Wido Limited (formerly Beauty4Less Limited), Big Fish Ningbo Trading Co. and Big Fish Hong Kong Trading Limited for the year to 31 December 2018.

1 Accounting policies (continued)

1.3 Going concern

At the time of approving the Financial Statements the Directors are not aware of any likely events, conditions or business risks that may cast significant doubt on the Company's ability to continue as a going concern during the period of 12 months from the signing of the Company's balance sheet. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business and is shown net of VAT and other sales related taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods).

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

1.6 Intangible fixed assets other than goodwill

Intangible assets are initially recognised at cost and are subsequently measured at cost, net of any accumulated amortisation and impairment losses.

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

| | |
|---------------|-------------------|
| Website costs | 20% straight line |
|---------------|-------------------|

1.7 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:

| | |
|------------------------|---------------------------|
| Leasehold improvements | 20% straight line |
| Plant and equipment | 15% and 20% straight line |
| Fixtures and fittings | 15% straight line |
| Motor vehicles | 25% straight line |

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 recognised in the Group profit and loss account.

1 Accounting policies (continued)

1.8 Fixed asset investments

In the Company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting period end date, the Group 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.

1.10 Stock

Stock is stated at the lower of cost and estimated selling price less direct selling costs. Cost comprises direct materials and, where applicable, overheads that have been incurred in bringing the stock to its present location and condition, such as carriage.

Stock held for distribution at no or nominal consideration is measured at the lower of replacement cost and cost adjusted where applicable for any impairment.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less direct selling costs is recognised as an impairment loss in the Group profit and loss account. Reversals of impairment losses are also recognised in the Group profit and loss account.

1.11 Cash at bank and in hand

Cash at bank and in hand 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 loans and overdrafts are shown in note 19.

1.12 Financial instruments

The Group and the Company have both elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised in both the Group and Company balance sheets when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, and 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. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies (continued)

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.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities, including creditors, bank loans and loans from Group companies are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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.

Other financial liabilities

Derivative financial instruments ("**Derivatives**") are used to manage risks arising from changes in foreign currency exchange rates relating to the purchase of overseas sourced products. The Group does not enter into Derivatives for speculative purchases.

Changes in the fair value of Derivatives used as a cash flow hedge are recognised in the Group statement of comprehensive income and in the fair value hedging reserve in both the Group and the Company statements of changes in equity and subsequently transferred to the carrying amount of the hedged item. Realised gains or losses on the cash flow hedges are therefore recognised in the Group profit and loss account in the same period as the hedged item. If the hedged transaction is no longer expected to occur the net cumulative profit or loss recognised in both the Group and the Company changes in equity is then transferred to the Group profit and loss account.

1.13 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 Group liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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 if, and only if, there is 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.

1.14 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 Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the asset's fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in both the Group and Company balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the Group profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1 Accounting policies (continued)

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions other than stock which is recorded at the foreign exchange forward contract rate. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the Group'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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Provision for stock

Stock is reviewed on an ongoing basis and a provision made where the Directors are of the opinion that specific items are slow moving and the price requires discounting in order to clear the stock. As at the year end the Directors have no material concerns over the recoverability of the Group and Company's stock balance.

3 Turnover and other revenue

| | 2018 | 2017 |
|---|-------------------|-------------------|
| | £ | £ |
| Turnover analysed by geographical market | | |
| UK | 28,111,790 | 26,353,429 |
| Europe | 2,745,088 | 2,654,448 |
| Rest of world | 444,784 | 286,859 |
| | <u>31,301,662</u> | <u>29,294,736</u> |

BONNINGTON PLASTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)****4 Operating profit**

| | 2018 £ | 2017 £ |
|---|-----------------------------|-----------------------------|
| Operating profit for the year is stated after charging/(crediting): | | |
| Exchange gains | (42,435) | (178,912) |
| Depreciation of owned tangible fixed assets | 150,833 | 156,294 |
| Depreciation of tangible fixed assets held under finance leases | 3,000 | 4,485 |
| Loss on disposal of tangible fixed assets | 34,227 | 13,118 |
| Amortisation of intangible assets | 80,219 | 32,811 |
| Cost of stock recognised as an expense | 21,698,830 | 21,192,583 |
| Operating lease charges | 639,728 | 496,519 |
| | <u> </u> | <u> </u> |

5 Auditor's remuneration

| | 2018 £ | 2017 £ |
|---|-----------------------------|-----------------------------|
| Fees payable to the Company's auditor and associates: | | |
| For audit services | | |
| Audit of the financial statements of the Group and Company | 22,250 | 21,000 |
| Audit of the financial statements of the Company's subsidiaries | 11,460 | 13,951 |
| | <u> </u> | <u> </u> |
| | 33,710 | 34,951 |
| | <u> </u> | <u> </u> |

6 Employees

The average monthly number of persons (including Directors) employed by the Group and Company during the year was:

| | Group | | Company | |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 2018 Number | 2017 Number | 2018 Number | 2017 Number |
| Administration and support | 52 | 53 | 32 | 31 |
| Sales, marketing and distribution | 41 | 44 | 41 | 38 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | 93 | 97 | 73 | 69 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

BONNINGTON PLASTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)****6 Employees**

Their aggregate remuneration comprised:

| | Group | | | |
|-----------------------|------------------|------------------|------------------|------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Wages and salaries | 2,276,953 | 2,192,517 | 1,905,201 | 1,972,844 |
| Social security costs | 228,675 | 240,353 | 196,796 | 203,968 |
| Pension costs | 93,727 | 56,639 | 69,415 | 29,511 |
| | <u>2,599,355</u> | <u>2,489,509</u> | <u>2,171,412</u> | <u>2,206,323</u> |

7 Directors' remuneration

| | 2018 | 2017 |
|---|----------------|----------------|
| | £ | £ |
| Remuneration for qualifying services | 304,088 | 377,353 |
| Company pension contributions to defined contribution schemes | 32,507 | 2,970 |
| | <u>336,595</u> | <u>380,323</u> |

The number of Directors for whom retirement benefits are accruing under defined contribution schemes amount to 4 (2017: 4).

Remuneration disclosed above includes the following amounts paid to the highest paid Director:

| | 2018 | 2017 |
|---|----------------|----------------|
| | £ | £ |
| Remuneration for qualifying services | 109,966 | 105,593 |
| Company pension contributions to defined contribution schemes | 1,875 | 650 |
| | <u>111,841</u> | <u>106,243</u> |

The key management personnel of both the Group and the Company are considered to be the Directors.

BONNINGTON PLASTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)****8 Interest receivable and similar income**

| | 2018 | 2017 |
|---------------------------|------------|---------------|
| | £ | £ |
| Interest income | | |
| Interest on bank deposits | 750 | - |
| Other interest income | - | 29,167 |
| | <u>750</u> | <u>29,167</u> |
| Total income | <u>750</u> | <u>29,167</u> |

Investment income includes the following:

| | | |
|--|------------|----------|
| Interest on financial assets not measured at fair value through profit or loss | <u>750</u> | <u>-</u> |
|--|------------|----------|

9 Interest payable and similar expenses

| | 2018 | 2017 |
|--|----------------|----------------|
| | £ | £ |
| Interest on financial liabilities measured at amortised cost: | | |
| Interest on bank overdrafts and loans | 114,052 | 76,821 |
| Interest on finance leases and hire purchase contracts | 1,564 | 607 |
| Interest on invoice finance arrangements | 42,815 | 44,059 |
| Other interest on financial liabilities | 12,291 | 8,818 |
| | <u>170,722</u> | <u>130,305</u> |

10 Taxation

| | 2018 | 2017 |
|---|---------------|---------------|
| | £ | £ |
| Current tax | | |
| UK corporation tax on profits for the current period | 39,859 | 80,236 |
| Foreign current tax on profits for the current period | 2,983 | 4,382 |
| | <u>42,842</u> | <u>84,618</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | <u>28,211</u> | <u>693</u> |
| Total tax charge | <u>71,053</u> | <u>85,311</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)

10 Taxation (continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

| | 2018 £ | 2017 £ |
|--|-----------|-----------|
| Profit before taxation | 317,477 | 400,406 |
| Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%) | 60,321 | 77,078 |
| Tax effect of expenses that are not deductible in determining taxable profit | (84) | 1,840 |
| Adjustments in respect of prior years | (33) | 307 |
| Effect of change in corporation tax rate | - | 10,712 |
| Depreciation on assets not qualifying for tax allowances | 5,125 | 12,225 |
| Amortisation on assets not qualifying for tax allowances | 14,962 | 6,316 |
| Effect of overseas tax rates | (6,190) | (13,942) |
| Prior year adjustment to deferred tax | (88) | (7,898) |
| Corporation tax not recognised | - | (1,327) |
| Deferred tax not recognised | (2,960) | - |
| Taxation charge for the year | 71,053 | 85,311 |

In addition to the amount charged to the Group profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

| | 2018 £ | 2017 £ |
|--|-----------|-----------|
| Deferred tax arising on: | | |
| Revaluation of financial instruments treated as cash flow hedges | 76,672 | (73,674) |

11 Dividends

| | 2018 £ | 2017 £ |
|----------------|-----------|-----------|
| Dividends paid | 100,000 | 833,865 |

BONNINGTON PLASTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)****12 Intangible fixed assets**

| Group | Goodwill | Website costs | Total |
|------------------------------------|-----------------|----------------------|----------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 January 2018 | 787,473 | - | 787,473 |
| Additions - separately acquired | - | 88,292 | 88,292 |
| | <u>787,473</u> | <u>88,292</u> | <u>875,765</u> |
| At 31 December 2018 | 787,473 | 88,292 | 875,765 |
| Amortisation and impairment | | | |
| At 1 January 2018 | 32,811 | - | 32,811 |
| Amortisation charged for the year | 78,747 | 1,472 | 80,219 |
| | <u>111,558</u> | <u>1,472</u> | <u>113,030</u> |
| At 31 December 2018 | 111,558 | 1,472 | 113,030 |
| Carrying amount | | | |
| At 31 December 2018 | <u>675,915</u> | <u>86,820</u> | <u>762,735</u> |
| At 31 December 2017 | <u>754,662</u> | <u>-</u> | <u>754,662</u> |

BONNINGTON PLASTICS LIMITED
**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)**

13 Tangible fixed assets

| Group | Leasehold improvements | Plant and equipment | Fixtures and fittings | Motor vehicles | Total |
|------------------------------------|-----------------------------------|--------------------------------|----------------------------------|---------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 January 2018 | 48,824 | 1,143,371 | 373,636 | 16,562 | 1,582,393 |
| Additions | 37,728 | 199,969 | 15,660 | 110,750 | 364,107 |
| Disposals | - | (74,058) | - | - | (74,058) |
| Exchange adjustments | - | - | 42 | - | 42 |
| At 31 December 2018 | 86,552 | 1,269,282 | 389,338 | 127,312 | 1,872,484 |
| Depreciation and impairment | | | | | |
| At 1 January 2018 | 11,183 | 489,165 | 343,119 | 12,371 | 855,838 |
| Depreciation charged in the year | 11,395 | 117,267 | 10,675 | 14,496 | 153,833 |
| Eliminated in respect of disposals | - | (36,631) | - | - | (36,631) |
| Exchange adjustments | - | - | 64 | - | 64 |
| At 31 December 2018 | 22,578 | 569,801 | 353,858 | 26,867 | 973,104 |
| Carrying amount | | | | | |
| At 31 December 2018 | 63,974 | 699,481 | 35,480 | 100,445 | 899,380 |
| At 31 December 2017 | 37,641 | 654,206 | 30,517 | 4,191 | 726,555 |

BONNINGTON PLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)



13 Tangible fixed assets (continued)

| Company | Leasehold improvements | Plant and equipment | Fixtures and fittings | Motor vehicles | Total |
|------------------------------------|------------------------|---------------------|-----------------------|----------------|-----------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 January 2018 | 48,824 | 1,143,371 | 334,206 | 15,170 | 1,541,571 |
| Additions | 37,728 | 179,824 | 15,660 | 110,750 | 343,962 |
| Disposals | - | (74,058) | - | - | (74,058) |
| At 31 December 2018 | 86,552 | 1,249,137 | 349,866 | 125,920 | 1,811,475 |
| Depreciation and impairment | | | | | |
| At 1 January 2018 | 11,183 | 489,165 | 308,813 | 10,968 | 820,129 |
| Depreciation charged in the year | 11,395 | 116,931 | 6,770 | 14,496 | 149,592 |
| Eliminated in respect of disposals | - | (36,631) | - | - | (36,631) |
| At 31 December 2018 | 22,578 | 569,465 | 315,583 | 25,464 | 933,090 |
| Carrying amount | | | | | |
| At 31 December 2018 | 63,974 | 679,672 | 34,283 | 100,456 | 878,385 |
| At 31 December 2017 | 37,641 | 654,206 | 25,393 | 4,202 | 721,442 |

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts:

| | Group | | Company | |
|--|--------|--------|---------|--------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Plant and equipment | 37,000 | 20,556 | 37,000 | 20,556 |
| Depreciation charge for the year in respect of leased assets | 3,000 | 4,485 | 3,000 | 4,485 |

14 Fixed asset investments

| | | Group | | Company | |
|-----------------------------|-------|-------|------|---------|---------|
| | Notes | 2018 | 2017 | 2018 | 2017 |
| | | £ | £ | £ | £ |
| Investments in subsidiaries | 15 | - | - | 749,586 | 749,586 |

BONNINGTON PLASTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)****14 Fixed asset investments (continued)****Movements in fixed asset investments
Company****Shares in
group
undertakings
£****Cost or valuation**

At 1 January 2018 and 31 December 2018

749,586

Carrying amount

At 31 December 2018

749,586

At 31 December 2017

749,586

15 Subsidiaries

The Company's subsidiaries as at 31 December 2018 are as follows:

| Name of undertaking | Registered office | Nature of business | Class of shares held | % Held | |
|---|----------------------------|--|----------------------|--------|----------|
| | | | | Direct | Indirect |
| Wido Limited | England and Wales | Purchasing and resale of goods | Ordinary | 100 | |
| Big Fish Hong Kong Trading Limited ("BFHK") | Hong Kong | Purchasing and resale of goods | Ordinary | 100 | |
| Big Fish Ningbo Trading Co. | People's Republic of China | Purchasing and resale of goods, and the provision of services to BFHK. | Ordinary | | 100 |

BONNINGTON PLASTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)****16 Financial instruments**

| | Group | | Company | |
|--|--------------|-------------|----------------|-------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Carrying amount of financial assets | | | | |
| Debt instruments measured at amortised cost | 3,356,086 | 3,712,667 | 2,160,800 | 2,500,839 |
| Instruments measured at fair value through hedging reserve | 60,073 | - | 60,073 | - |
| Carrying amount of financial liabilities | | | | |
| Measured at fair value through profit or loss | | | | |
| Other financial liabilities | - | 390,939 | - | 390,939 |
| Measured at amortised cost | 8,086,677 | 8,788,268 | 6,532,025 | 7,435,839 |

Debt instruments includes cash at bank and in hand, trade debtors, deposits for inventory held by suppliers, amounts owed by Group undertakings and other debtors.

Financial liabilities measured at amortised cost includes bank loans and overdrafts, trade creditors, amounts due to Group undertakings, other creditors and accruals.

17 Stock

| | Group | | Company | |
|-------------------------------------|--------------|-------------|----------------|-------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Finished goods and goods for resale | 7,430,929 | 7,865,237 | 7,197,943 | 7,783,670 |

Included within stock is a Group stock provision of £66,810 (2017: £120,831) and a Company stock provision of £46,210 (2017: £103,831).

BONNINGTON PLASTICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)**



18 Debtors

| | Group | | Company | |
|--|------------------|------------------|------------------|------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Amounts falling due within one year: | | | | |
| Trade debtors | 1,962,031 | 2,032,601 | 1,860,302 | 1,913,047 |
| Deposits for inventory held by suppliers | 734,057 | 714,663 | 115,104 | 85,190 |
| Corporation tax recoverable | 40,107 | - | 74,967 | - |
| Amounts owed by Group undertakings | 1,005 | - | 1,005 | - |
| Derivative financial instruments | 60,073 | - | 60,073 | - |
| Other debtors | 70,053 | 61,972 | 30,337 | 44,149 |
| Prepayments and accrued income | 307,249 | 283,818 | 215,170 | 232,225 |
| | <u>3,174,575</u> | <u>3,093,054</u> | <u>2,356,958</u> | <u>2,274,611</u> |
| Deferred tax asset (note 22) | 384 | 17,352 | - | 14,462 |
| | <u>3,174,959</u> | <u>3,110,406</u> | <u>2,356,958</u> | <u>2,289,073</u> |
| Amounts falling due after more than one year: | | | | |
| Other debtors | <u>56,761</u> | <u>68,761</u> | <u>56,761</u> | <u>68,761</u> |
| Total debtors | <u>3,231,720</u> | <u>3,179,167</u> | <u>2,413,719</u> | <u>2,357,834</u> |

Included within trade debtors is a bad debt provision of £13,272 (2017: £25,701).

BONNINGTON PLASTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)



19 Creditors: amounts falling due within one year

| | Notes | Group | | Company | |
|------------------------------------|-------|------------------|------------------|------------------|------------------|
| | | 2018 | 2017 | 2018 | 2017 |
| | | £ | £ | £ | £ |
| Bank loans and overdrafts | | 3,925,904 | 4,468,824 | 3,602,695 | 4,187,630 |
| Invoice discounting facilities | | 1,407,216 | 1,381,453 | 1,407,216 | 1,381,453 |
| Obligations under finance leases | 21 | 8,982 | 7,883 | 8,982 | 7,883 |
| Trade creditors | | 2,320,540 | 2,038,578 | 819,841 | 940,038 |
| Amounts due to Group undertakings | | - | - | 331,640 | 55,816 |
| Corporation tax payable | | - | 79,937 | - | 72,463 |
| Other taxation and social security | | 375,728 | 338,310 | 373,115 | 279,356 |
| Derivative financial instruments | | - | 390,939 | - | 390,939 |
| Other creditors | | 80,743 | 136,008 | 69,166 | 136,008 |
| Accruals and deferred income | | 305,474 | 326,605 | 254,667 | 298,094 |
| | | <u>8,424,587</u> | <u>9,168,537</u> | <u>6,867,322</u> | <u>7,749,680</u> |

The bank loans and overdraft of £3,925,904 (2017: £4,468,824) are secured by a debenture creating a fixed and floating charge over all of the assets of the Company and Wido Limited.

The invoice discounting facilities of £1,407,216 (2017: £1,381,453) are secured by a charge over the Company's trade debtors.

The obligations under finance leases are secured upon the assets to which they relate.

20 Creditors: amounts falling due after more than one year

| | Notes | Group | | Company | |
|----------------------------------|-------|---------------|----------------|---------------|----------------|
| | | 2018 | 2017 | 2018 | 2017 |
| | | £ | £ | £ | £ |
| Obligations under finance leases | 21 | 25,533 | - | 25,533 | - |
| Other borrowings | | 46,800 | 436,800 | 46,800 | 436,800 |
| | | <u>72,333</u> | <u>436,800</u> | <u>72,333</u> | <u>436,800</u> |

The obligations under finance leases are secured upon the assets to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)

21 Finance lease obligations

| | Group | | Company | |
|---|---------------|--------------|---------------|--------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Future minimum lease payments due under finance leases: | | | | |
| Within one year | 9,021 | 8,223 | 9,021 | 8,223 |
| In two to five years | 29,373 | - | 29,373 | - |
| | <u>38,394</u> | <u>8,223</u> | <u>38,394</u> | <u>8,223</u> |
| Less: future finance charges | (3,879) | (340) | (3,879) | (340) |
| | <u>34,515</u> | <u>7,883</u> | <u>34,515</u> | <u>7,883</u> |

Finance lease payments represent rentals payable by the Group or the Company for items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

22 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the Group and Company, and movements thereon:

| | Liabilities | | Assets | |
|--------------------------------|---------------|----------|------------|---------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Group | | | | |
| Accelerated capital allowances | 77,703 | - | 384 | (51,998) |
| Tax losses | - | - | - | 2,890 |
| Cash flow hedge | 10,212 | - | - | 66,460 |
| | <u>87,915</u> | <u>-</u> | <u>384</u> | <u>17,352</u> |

| | Liabilities | | Assets | |
|--------------------------------|---------------|----------|----------|---------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Company | | | | |
| Accelerated capital allowances | 77,703 | - | - | (51,998) |
| Cash flow hedge | 10,212 | - | - | 66,460 |
| | <u>87,915</u> | <u>-</u> | <u>-</u> | <u>14,462</u> |

BONNINGTON PLASTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)****22 Deferred taxation (continued)**

| | Group 2018 | Company 2018 |
|--------------------------------------|-----------------------|-------------------------|
| | £ | £ |
| Movements in the year: | | |
| Liability/(asset) at 1 January 2018 | (17,352) | (14,462) |
| Charge to profit or loss | 28,211 | 25,705 |
| Charge to other comprehensive income | 76,672 | 76,672 |
| | <u>87,531</u> | <u>87,915</u> |
| Liability at 31 December 2018 | | |

23 Retirement benefit schemes

| | 2018 | 2017 |
|---|---------------|---------------|
| | £ | £ |
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | <u>93,727</u> | <u>56,639</u> |

A defined contribution pension scheme is operated for all qualifying employees. The only obligation of the Company with respect to the scheme is to make the specified contributions.

24 Share capital

| | Group and Company 2018 | 2017 |
|------------------------------------|-----------------------------------|----------------|
| | £ | £ |
| Ordinary share capital | | |
| Issued and fully paid | | |
| 200,000 Ordinary shares of £1 each | <u>200,000</u> | <u>200,000</u> |

25 Reserves

Profit and loss account

This comprises the opening retained earnings, the profit or loss for the year and dividends paid as set out in both the Group and the Company statement of changes in equity.

Hedging reserve

This cash flow hedge reserve represents the movement in fair value of the hedging instruments that are recognised in the Group statement of comprehensive income at each reporting date.

Other reserve

This reserve represents the foreign currency translation differences arising on Group consolidation.

26 Financial commitments, guarantees and contingent liabilities

The Company has signed a cross guarantee in respect of the bank borrowings of Wido Limited.

27 Operating lease commitments

Lessee

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

| | Group | | Company | |
|----------------------------|------------------|------------------|------------------|------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Within one year | 912,813 | 657,117 | 863,822 | 611,587 |
| Between two and five years | 3,117,361 | 2,023,019 | 3,117,361 | 1,977,489 |
| Over five years | 1,840,000 | 2,320,000 | 1,840,000 | 2,320,000 |
| | <u>5,870,174</u> | <u>5,000,136</u> | <u>5,821,183</u> | <u>4,909,076</u> |

28 Capital commitments

Amounts contracted for but not provided in the Financial Statements:

| | Group | | Company | |
|--------------------------------------|----------|---------------|----------|---------------|
| | 2018 | 2017 | 2018 | 2017 |
| | £ | £ | £ | £ |
| Acquisition of tangible fixed assets | <u>-</u> | <u>40,000</u> | <u>-</u> | <u>40,000</u> |

BONNINGTON PLASTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)****29 Directors' transactions**

Transactions in relation to loans granted (to) / from Directors with the Company during the year are aggregated below:

The amounts owed from / (to) Directors at the year end are included within other debtors and other creditors respectively (notes 18 and 19).

| Description | % Rate | Opening balance £ | Amounts advanced £ | Interest charged £ | Amounts repaid £ | Closing balance £ |
|----------------------|-----------|-------------------------|--------------------------|--------------------------|------------------------|-------------------------|
| Loan from a director | 3.00 | 583,393 | - | 12,291 | (400,825) | 194,859 |
| Loan (to) a director | - | (16,285) | 128,077 | - | (190,800) | (79,008) |
| Loan (to) a director | - | (23,000) | - | - | - | (23,000) |
| | | <u>544,108</u> | <u>128,077</u> | <u>12,291</u> | <u>(591,625)</u> | <u>92,851</u> |

30 Controlling party

The immediate and ultimate parent company is Goldfish Property Private Limited ("GPL") (formerly Serra Mar Private Limited) a company incorporated in Singapore.

GPL is controlled by M. G. Fisher by virtue of his 100% shareholding of the issued share capital.

BONNINGTON PLASTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018 (CONTINUED)****31 Cash generated from group operations**

| | 2018 | 2017 |
|--|------------------|------------------|
| | £ | £ |
| Profit for the year after tax | 246,424 | 315,095 |
| Adjustments for: | | |
| Taxation charged | 71,053 | 85,311 |
| Finance costs | 170,722 | 130,305 |
| Investment income | (750) | (29,167) |
| Loss on disposal of tangible fixed assets | 34,227 | 13,118 |
| Amortisation and impairment of intangible assets | 80,219 | 32,811 |
| Depreciation and impairment of tangible fixed assets | 153,833 | 160,779 |
| Movements in working capital: | | |
| Decrease/(increase) in stocks | 434,308 | (305,300) |
| Decrease in debtors | 159,076 | 781,923 |
| Increase in creditors | 109,400 | 749,986 |
| Cash generated from operations | 1,458,512 | 1,934,861 |