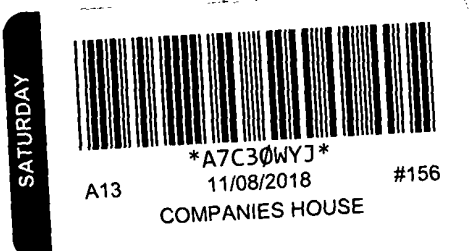


Company Registration No. 01306737 (England and Wales)

**BONNINGTON PLASTICS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**



# **BONNINGTON PLASTICS LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	I. C. Fisher P. A. Cavanagh S. P. Tartaglia M. L. Mettam
<b>Company number</b>	01306737
<b>Registered office</b>	Kingfisher House Glaisdale Parkway Bilborough Nottingham Nottinghamshire NG8 4GP
<b>Auditor</b>	UHY Hacker Young LLP 14 Park Row Nottingham NG1 6GR
<b>Business address</b>	Kingfisher House Glaisdale Parkway Bilborough Nottingham Nottinghamshire NG8 4GP

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# **BONNINGTON PLASTICS LIMITED**

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# **BONNINGTON PLASTICS LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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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 2017 ("**Strategic Report**").

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

On 31 July 2017, the Company acquired the entire share capital of Beauty4Less Limited from I. C. Fisher. The acquisition gives the Group a strong presence in the e-commerce business to consumer environment and presents opportunities to cross sell products within the Group on their various sales platforms. The acquisition is included in the Group's activities for the year from 31 July onwards.

As presented in the Group's profit and loss account on page 8 net profit before tax decreased to £400,406 (2016: £847,568).

Profit is down for the year due to a deterioration in gross profit due to a combination of the weakness in the US Dollar/Sterling exchange rate caused by Brexit and an adverse sales mix towards slightly lower margin products. Given the uncertainty caused by Brexit and negative real wage growth, the Directors are satisfied with the Group result.

During the year the Directors were delighted that the Company's bankers agreed to increase the Company's facility by an additional £500,000 to help fund growth opportunities. Even though the situation surrounding Brexit is still uncertain, the Group has had a strong start to 2018.

#### **Principal risks and uncertainties**

The Group's activities expose it to a number of financial risks including credit risk, liquidity risk, acquisition 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.

**Acquisition risk:** Acquisitions require a focused business integration effort to deliver planned targets which if not properly managed or resourced could lead to a failure to deliver value for the Group. The Group ensures appropriate resources are in place to manage the integration of each acquisition, with regular executive reviews of any required restructuring activities and benefits arising there from.

**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 (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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### Key performance indicators

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


	Year to 31 December 2017	Year to 31 December 2016
Turnover	£29,294,736	£27,261,754
Gross profit	£7,505,642	£7,897,887
Gross profit	26%	29%
Net profit before tax	£400,406	£847,568

On behalf of the Directors



P. A. Cavanagh

Director 

Date: 

# **BONNINGTON PLASTICS LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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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**").

#### **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:

I. C. Fisher  
P. A. Cavanagh  
S. P. Tartaglia  
M. L. Mettam

#### **Results and dividends**

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

Ordinary dividends were paid amounting to £833,865 (2016: £753,000). The Directors do not recommend payment of a further dividend.

#### **Auditor**

UHY Hacker Young LLP was appointed as auditor to the Group by a resolution of the Directors at a meeting held on 5 December 2017 in accordance with section 485 (3) (c) of the Companies Act 2006.

# **BONNINGTON PLASTICS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **Statement of Directors' responsibilities**

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

Company law requires 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 (UK Accounting Standards and applicable law). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs 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 UK Accounting 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 the Companies Act 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



P. A. Cavanagh

Director

Date: 

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

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### **Opinion**

We have audited the financial statements of the Group and the Company for the year ended 31 December 2017 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 the applicable law and UK Accounting Standards, including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ("**UK Generally Accepted Accounting Practice**").

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 2017 and of its profit;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("**ISAs (UK)**") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Financial Statements, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Use of our report**

This report ("**Independent Auditor's Report**") is made solely to the Company's member, 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 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 report, or for the opinions we have formed.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Directors have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the 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.



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

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**Other information**

The other information comprises the information included in the Annual Report (excepting the Financial Statements) and this Independent Auditor's Report. The Directors are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Strategic Report and the Directors' Report for the financial 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 applicable legal requirements.

**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 the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company 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.

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

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**Responsibilities of directors**

As explained more fully in the statement of Directors' responsibilities, 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.

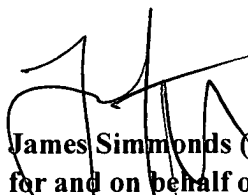
**Auditor's responsibilities for the audit of the Financial Statements**

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

**Other matters which we are required to address**

UHY Hacker Young LLP was appointed auditor during the year. Accordingly, the comparative financial statements were audited by the predecessor auditor.

  
**James Simmonds (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young LLP**

**Chartered Accountants**  
**Statutory Auditor**

9/8/18

**BONNINGTON PLASTICS LIMITED**  
**GROUP PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

		<b>2017</b>	<b>2016</b>
	<b>Notes</b>	<b>£</b>	<b>as restated £</b>
<b>Turnover</b>	<b>3</b>	29,294,736	27,261,754
Cost of sales		(21,789,094)	(19,363,867)
<b>Gross profit</b>		<u>7,505,642</u>	<u>7,897,887</u>
Distribution costs		(2,464,793)	(2,135,022)
Administrative expenses		(4,548,404)	(4,809,739)
Other operating income		-	10,138
<b>Operating profit</b>	<b>4</b>	<u>492,445</u>	<u>963,264</u>
Interest receivable and similar income	<b>8</b>	29,167	10,078
Interest payable and similar expenses	<b>9</b>	(121,206)	(125,774)
<b>Profit before taxation</b>		<u>400,406</u>	<u>847,568</u>
Tax on profit	<b>10</b>	(85,311)	(210,393)
<b>Profit for the financial year</b>	<b>25</b>	<u>315,095</u>	<u>637,175</u>

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 2017**

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	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	<b>315,095</b>	<b>637,175</b>
	<u>          </u>	<u>          </u>
<b>Other comprehensive income</b>		
Currency translation differences on subsidiary undertakings	4,468	(2,046)
Cash flow hedges (loss)/gain arising in the year	(712,235)	309,863
Tax relating to other comprehensive income	73,674	(58,095)
	<u>          </u>	<u>          </u>
<b>Other comprehensive (loss)/income for the year</b>	<b>(634,093)</b>	<b>249,722</b>
	<u>          </u>	<u>          </u>
<b>Total comprehensive (loss)/income for the year</b>	<b>(318,998)</b>	<b>886,897</b>
	<u>          </u>	<u>          </u>

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

**BONNINGTON PLASTICS LIMITED**

**GROUP BALANCE SHEET**

**AS AT 31 DECEMBER 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Goodwill	12	754,662		-	
Tangible assets	13	726,555		719,577	
			<u>1,481,217</u>		<u>719,577</u>
<b>Current assets</b>					
Stock	17	7,865,237		7,559,937	
Debtors	18	3,179,167		4,331,494	
Cash at bank and in hand		834,670		1,056,801	
			<u>11,879,074</u>		<u>12,948,232</u>
<b>Creditors: amounts falling due within one year</b>	19	(9,168,537)		(8,630,020)	
<b>Net current assets</b>			<u>2,710,537</u>		<u>4,318,212</u>
<b>Total assets less current liabilities</b>			4,191,754		5,037,789
<b>Creditors: amounts falling due after more than one year</b>	20	(436,800)		(7,883)	
<b>Provisions for liabilities</b>					
Deferred tax liability	22	-		122,089	
			<u>-</u>		<u>(122,089)</u>
<b>Net assets</b>			<u>3,754,954</u>		<u>4,907,817</u>
<b>Capital and reserves</b>					
Called up share capital	24	200,000		200,000	
Hedging reserve	25	(324,479)		314,082	
Other reserve	25	(33,480)		(37,948)	
Profit and loss reserves	25	3,912,913		4,431,683	
<b>Total equity</b>			<u>3,754,954</u>		<u>4,907,817</u>


**BONNINGTON PLASTICS LIMITED**

**GROUP BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2017**

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The Financial Statements were approved by the Directors and authorised for issue on 9/8/18. and are signed on its behalf by:



P. A. Cavanagh

**Director**

**BONNINGTON PLASTICS LIMITED**

**COMPANY BALANCE SHEET**

**AS AT 31 DECEMBER 2017**

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	13	721,442		704,226	
Investments	14	749,586		7,946	
			1,471,028		712,172
<b>Current assets</b>					
Stock	17	7,783,670		7,783,694	
Debtors	18	2,357,834		4,663,770	
Cash at bank and in hand		474,882		91,700	
			10,616,386		12,539,164
<b>Creditors: amounts falling due within one year</b>	19	(7,749,680)		(7,995,248)	
<b>Net current assets</b>			2,866,706		4,543,916
<b>Total assets less current liabilities</b>			4,337,734		5,256,088
<b>Creditors: amounts falling due after more than one year</b>	20	(436,800)		(7,883)	
<b>Provisions for liabilities</b>					
Deferred tax liability	22	-		122,089	
			-		(122,089)
<b>Net assets</b>			3,900,934		5,126,116
<b>Capital and reserves</b>					
Called up share capital	24	200,000		200,000	
Hedging reserve	25	(324,479)		314,082	
Profit and loss reserves	25	4,025,413		4,612,034	
<b>Total equity</b>			3,900,934		5,126,116

**BONNINGTON PLASTICS LIMITED**

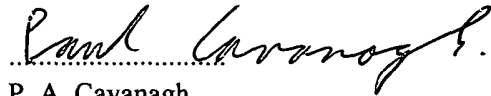
**COMPANY BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2017**

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As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's profit for the year was £247,244 (2016: £759,973).

The Financial Statements were approved by the Directors and authorised for issue on 9/8/18. and are signed on its behalf by:



P. A. Cavanagh  
**Director**

**Company Registration No. 01306737**



**BONNINGTON PLASTICS LIMITED**

**GROUP STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Share capital £	Hedging reserve £	Other reserves £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2016</b>		200,000	62,314	(35,902)	4,547,508	4,773,920
<b>Year ended 31 December 2016:</b>						
Profit for the year		-	-	-	637,175	637,175
Other comprehensive income:						
Movement on foreign exchange		-	-	(2,046)	-	(2,046)
Cash flow hedges gains arising in the year		-	309,863	-	-	309,863
Tax relating to other comprehensive income		-	(58,095)	-	-	(58,095)
Total comprehensive income/(loss) for the year		-	251,768	(2,046)	637,175	886,897
Dividends	11	-	-	-	(753,000)	(753,000)
<b>Balance at 31 December 2016</b>		200,000	314,082	(37,948)	4,431,683	4,907,817
<b>Year ended 31 December 2017:</b>						
Profit for the year		-	-	-	315,095	315,095
Other comprehensive 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)
<b>Balance at 31 December 2017</b>		200,000	(324,479)	(33,480)	3,912,913	3,754,954

**BONNINGTON PLASTICS LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Share capital £	Hedging reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2016</b>		200,000	62,314	4,605,061	4,867,375
<b>Year ended 31 December 2016:</b>					
Profit for the year		-	-	759,973	759,973
Other comprehensive income:					
Cash flow hedges gains arising in the year		-	309,863	-	309,863
Tax relating to other comprehensive income		-	(58,095)	-	(58,095)
Total comprehensive income for the year		-	251,768	759,973	1,011,741
Dividends	11	-	-	(753,000)	(753,000)
<b>Balance at 31 December 2016</b>		200,000	314,082	4,612,034	5,126,116
<b>Year ended 31 December 2017:</b>					
Profit for the year		-	-	247,244	247,244
Other comprehensive 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)
<b>Balance at 31 December 2017</b>		200,000	(324,479)	4,025,413	3,900,934

**BONNINGTON PLASTICS LIMITED**  
**GROUP STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	32		1,925,762		(431,718)
Interest paid			(112,388)		(125,774)
Taxation (paid)/refunded			(302,395)		200
<b>Net cash inflow/(outflow) from operating activities</b>			<b>1,510,979</b>		<b>(557,292)</b>
<b>Investing activities</b>					
Purchase of business including overdraft acquired		(870,865)		-	
Purchase of tangible fixed assets		(182,188)		(328,481)	
Proceeds on disposal of tangible fixed assets		-		50,290	
Interest received		29,167		10,078	
<b>Net cash used in investing activities</b>			<b>(1,023,886)</b>		<b>(268,113)</b>
<b>Financing activities</b>					
Proceeds from borrowings		728,000		4,548,472	
Repayment of borrowings		(428,950)		-	
Payment of finance leases obligations		(8,954)		(21,871)	
Dividends paid to equity shareholders		(833,865)		(753,000)	
<b>Net cash (used in)/generated from financing activities</b>			<b>(543,769)</b>		<b>3,773,601</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>			<b>(56,676)</b>		<b>2,948,196</b>
Cash and cash equivalents at beginning of year			692,918		(2,250,159)
Effect of foreign exchange rates			(82,766)		(5,119)
<b>Cash and cash equivalents at end of year</b>			<b>553,476</b>		<b>692,918</b>
<b>Relating to:</b>					
Cash at bank and in hand			834,670		1,056,801
Bank overdrafts included in creditors payable within one year			(281,194)		(363,883)

# BONNINGTON PLASTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1 Accounting policies

##### Company information

The Company is a private limited company domiciled and incorporated in England and Wales. The registered office is Kingfisher House Glaisdale Parkway, Bilborough, Nottingham, Nottinghamshire, NG8 4GP.

##### 1.1 Accounting convention

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

The Financial Statements are prepared in sterling, which is the functional currency of the 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 2017. 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.

# **BONNINGTON PLASTICS LIMITED**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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#### **1 Accounting policies**

Beauty4Less Limited ("B4L") has been included in the Group Financial Statements using the purchase method of accounting. Accordingly, the Group profit and loss account and Group statement of cash flows include the results and cash flows of B4L for the 5 month period from its acquisition on 31 July 2017. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

The Group profit and loss account and Group statement of cash flows also include the results and cash flows of Big Fish Ningbo Trading Co. and Big Fish Hong Kong Trading Limited for the year to 31 December 2017.

#### **1.3 Going concern**

At the time of approving the Financial Statements the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Consequently, 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 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 basis:

Leasehold improvements	20% straight line
Plant and equipment	15% 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.

# BONNINGTON PLASTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### **1 Accounting policies**

##### **1.7 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.

##### **1.8 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.

##### **1.9 Stock**

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. 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 costs to complete and sell 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.

##### **1.10 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.

##### **1.11 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 FRS 102 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.

# BONNINGTON PLASTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1 Accounting policies

##### *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.

The Group designates Derivatives of highly probable forecast transactions as a cash flow hedge.

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 both the Group and the Company profit and loss account.

#### 1.12 Taxation

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

##### *Current tax*

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

# BONNINGTON PLASTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### **1 Accounting policies**

##### ***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.

#### **1.13 Employee benefits**

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

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

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

#### **1.14 Retirement benefits**

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

#### **1.15 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.



# **BONNINGTON PLASTICS LIMITED**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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#### **1 Accounting policies**

##### **1.16 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

##### **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.

##### **1.18 Comparative figures**

The comparative figures have been reviewed and it was considered necessary to reclassify some of these figures to reflect the true nature of the transaction. This has not had an impact on the overall result but has altered how the comparatives were disclosed within the Financial Statements submitted to Companies House for the year ended 31 December 2016.

#### **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.

**BONNINGTON PLASTICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****3 Turnover and other revenue**

	2017	2016
	£	£
<b>Other significant revenue</b>		
Interest income	29,167	10,078
Grants received	-	138

	2017	2016
	£	£
<b>Turnover analysed by geographical market</b>		
UK	26,353,429	24,664,894
Europe	2,654,448	2,449,071
Rest of world	286,859	147,789
	<u>29,294,736</u>	<u>27,261,754</u>

**4 Operating profit**

	2017	2016
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(178,912)	(664,292)
Government grants	-	(138)
Depreciation of owned tangible fixed assets	156,294	201,372
Depreciation of tangible fixed assets held under finance leases	4,485	4,485
Loss on disposal of tangible fixed assets	13,118	9,516
Amortisation of intangible assets	32,811	-
Cost of stock recognised as an expense	21,192,583	20,028,159
Operating lease charges	<u>496,519</u>	<u>463,090</u>

**5 Auditor's remuneration**

	2017	2016
	£	£
Fees payable to the Company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the Group and Company	21,000	26,000
Audit of the financial statements of the Company's subsidiaries	<u>13,951</u>	<u>21,927</u>
	<u>34,951</u>	<u>47,927</u>

**BONNINGTON PLASTICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****6 Employees**

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

	<b>Group 2017 Number</b>	<b>2016 Number</b>	<b>Company 2017 Number</b>	<b>2016 Number</b>
Administration and support	53	47	31	29
Sales, marketing and distribution	44	41	38	41
	<u>97</u>	<u>88</u>	<u>69</u>	<u>70</u>

Their aggregate remuneration comprised:

	<b>Group 2017 £</b>	<b>2016 £</b>	<b>Company 2017 £</b>	<b>2016 £</b>
Wages and salaries	2,241,767	2,222,565	1,986,991	2,083,475
Social security costs	240,353	211,769	203,968	180,683
Pension costs	15,519	16,299	15,519	16,299
	<u>2,497,639</u>	<u>2,450,633</u>	<u>2,206,478</u>	<u>2,280,457</u>

**7 Directors' remuneration**

	<b>2017 £</b>	<b>2016 £</b>
Remuneration for qualifying services	375,655	342,341
Company pension contributions to defined contribution schemes	2,970	2,560
	<u>378,625</u>	<u>344,901</u>

The number of Directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2016: 4).

**BONNINGTON PLASTICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****7 Directors' remuneration****Notes**

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

	2017 £	2016 £
Remuneration for qualifying services	104,500	114,993
Company pension contributions to defined contribution schemes	650	750

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

**8 Interest receivable and similar income**

	2017 £	2016 £
<b>Interest income</b>		
Interest on bank deposits	-	93
Other interest income	29,167	9,985
Total income	29,167	10,078

**9 Interest payable and similar expenses**

	2017 £	2016 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	67,722	76,070
Interest on finance leases and hire purchase contracts	607	2,285
Interest on invoice finance arrangements	44,059	47,419
Other interest on financial liabilities	8,818	-
	121,206	125,774

**10 Taxation**

	2017 £	2016 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	80,236	196,662
Foreign current tax on profits for the current period	4,382	1,970
Total current tax	84,618	198,632

**BONNINGTON PLASTICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****10 Taxation****Deferred tax**

Origination and reversal of timing differences	693	11,761
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Total tax charge for the year	85,311	210,393
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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:

	2017 £	2016 £
Profit before taxation	400,406	847,568
Expected tax charge based on the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	77,078	169,514
Tax effect of expenses that are not deductible in determining taxable profit	1,840	10,176
Tax effect of income not taxable in determining taxable profit	-	(624)
Adjustments in respect of prior years	307	-
Effect of change in corporation tax rate	10,712	(1,041)
Permanent capital allowances in excess of depreciation	-	(6,078)
Depreciation on assets not qualifying for tax allowances	12,225	10,078
Amortisation on assets not qualifying for tax allowances	6,316	-
Other non-reversing timing differences	-	(307)
Effect of overseas tax rates	(13,942)	(261)
Deferred tax not recognised	-	(3,203)
Prior year adjustment to deferred tax	(7,898)	32,139
Corporation tax not recognised	(1,327)	-
Taxation charge for the year	85,311	210,393

**BONNINGTON PLASTICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****10 Taxation**

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:

	2017 £	2016 £
Deferred tax arising on:		
Revaluation of financial instruments treated as cash flow hedges	(73,674)	58,095

**11 Dividends**

	2017 £	2016 £
Dividends paid	833,865	753,000

**12 Intangible fixed assets**

Group	Goodwill £
<b>Cost</b>	
At 1 January 2017	-
Additions - separately acquired	787,473
At 31 December 2017	787,473
<b>Amortisation and impairment</b>	
At 1 January 2017	-
Amortisation charged for the year	32,811
At 31 December 2017	32,811
<b>Carrying amount</b>	
At 31 December 2017	754,662
At 31 December 2016	-

The Company had no intangible fixed assets at 31 December 2017 or 31 December 2016.

**BONNINGTON PLASTICS LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**13 Tangible fixed assets**

<b>Group</b>	<b>Leasehold improvements</b>	<b>Plant and equipment</b>	<b>Fixtures and fittings</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 January 2017	20,476	1,025,708	409,640	16,693	1,472,517
Additions	28,348	152,165	1,675	-	182,188
Disposals	-	(34,502)	(31,066)	-	(65,568)
Exchange adjustments	-	-	(6,613)	(131)	(6,744)
At 31 December 2017	48,824	1,143,371	373,636	16,562	1,582,393
<b>Depreciation and impairment</b>					
At 1 January 2017	6,143	372,307	366,043	8,444	752,937
Depreciation charged in the year	5,040	137,200	14,502	4,037	160,779
Eliminated in respect of disposals	-	(20,342)	(31,066)	-	(51,408)
Exchange adjustments	-	-	(6,360)	(110)	(6,470)
At 31 December 2017	11,183	489,165	343,119	12,371	855,838
<b>Carrying amount</b>					
At 31 December 2017	37,641	654,206	30,517	4,191	726,555
At 31 December 2016	14,333	653,397	43,598	8,249	719,577

# BONNINGTON PLASTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 13 Tangible fixed assets

Company	Leasehold improvements	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2017	20,476	1,025,708	332,531	15,170	1,393,885
Additions	28,348	152,165	1,675	-	182,188
Disposals	-	(34,502)	-	-	(34,502)
At 31 December 2017	48,824	1,143,371	334,206	15,170	1,541,571
<b>Depreciation and impairment</b>					
At 1 January 2017	6,143	372,307	304,032	7,175	689,657
Depreciation charged in the year	5,040	137,200	4,781	3,793	150,814
Eliminated in respect of disposals	-	(20,342)	-	-	(20,342)
At 31 December 2017	11,183	489,165	308,813	10,968	820,129
<b>Carrying amount</b>					
At 31 December 2017	37,641	654,206	25,393	4,202	721,442
At 31 December 2016	14,333	653,399	28,499	7,995	704,226

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

	Group 2017 £	2016 £	Company 2017 £	2016 £
Plant and equipment	20,556	25,041	20,556	25,041
Depreciation charge for the year in respect of leased assets	4,485	4,485	4,485	4,485

#### 14 Fixed asset investments

	Notes	Group 2017 £	2016 £	Company 2017 £	2016 £
Investments in subsidiaries	15	-	-	749,586	7,946



**BONNINGTON PLASTICS LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**14 Fixed asset investments**

**Movements in fixed asset investments**  
**Company**

**Shares in  
group  
undertakings  
£**

**Cost or valuation**

At 1 January 2017

7,946

Additions

741,640

At 31 December 2017

749,586

**Carrying amount**

At 31 December 2017

749,586

At 31 December 2016

7,946

**15 Subsidiaries**

Details of the Company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Big Fish Ningbo Trading Co.	People's Republic of China	Purchasing and resale of goods	Ordinary		100.00
Beauty4Less Limited	England and Wales	Purchasing and resale of beauty products	Ordinary	100.00	
Big Fish Hong Kong Trading Limited	Hong Kong	Purchasing and resale of goods	Ordinary	100.00	

# BONNINGTON PLASTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 16 Financial instruments

	Group 2017 £	2016 £	Company 2017 £	2016 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	3,014,433	3,832,319	2,586,029	4,059,298
Instruments measured at fair value through hedging reserve	-	387,756	-	387,756
<b>Carrying amount of financial liabilities</b>				
Measured at fair value through hedging reserve				
- Other financial liabilities	390,939	-	390,939	-
Measured at amortised cost	8,788,268	8,112,426	7,435,839	7,480,020

Debt instruments includes cash at bank and in hand, trade debtors, 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 2017 £	2016 £	Company 2017 £	2016 £
Finished goods and goods for resale	7,865,237	7,559,937	7,783,670	7,783,694

Included within stock is a Group stock provision of £120,831 (2016: £158,994) and a Company stock provision of £103,831 (2016: £158,994).

**BONNINGTON PLASTICS LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**18 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>				
Trade debtors	2,032,601	2,645,581	1,913,047	3,146,683
Deposits for inventory held by suppliers	629,473	459,879	-	-
Amounts owed by Group undertakings	-	-	-	359,153
Derivative financial instruments	-	387,756	-	387,756
Other debtors	147,162	129,937	129,339	85,164
Prepayments and accrued income	283,818	331,743	232,225	308,416
	<u>3,093,054</u>	<u>3,954,896</u>	<u>2,274,611</u>	<u>4,287,172</u>
Deferred tax asset (note 22)	17,352	-	14,462	-
	<u>3,110,406</u>	<u>3,954,896</u>	<u>2,289,073</u>	<u>4,287,172</u>
<b>Amounts falling due after more than one year:</b>				
Other debtors	<u>68,761</u>	<u>376,598</u>	<u>68,761</u>	<u>376,598</u>
<b>Total debtors</b>	<u>3,179,167</u>	<u>4,331,494</u>	<u>2,357,834</u>	<u>4,663,770</u>

Included within trade debtors is a bad debt provision of £25,701 (2016: £55,270).

**BONNINGTON PLASTICS LIMITED**

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

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**19 Creditors: amounts falling due within one year**

		<b>Group</b>		<b>Company</b>	
		<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts		5,850,277	6,208,490	5,569,083	6,208,490
Obligations under finance leases	<b>21</b>	7,883	8,954	7,883	8,954
Trade creditors		2,038,578	1,377,061	940,038	711,449
Amounts due to Group undertakings		-	-	55,816	58,715
Corporation tax payable		79,937	297,714	72,463	295,536
Other taxation and social security		338,310	210,926	279,356	210,738
Derivative financial instruments		390,939	-	390,939	-
Other creditors		136,008	35,112	136,008	27,877
Accruals and deferred income		326,605	491,763	298,094	473,489
		<u>9,168,537</u>	<u>8,630,020</u>	<u>7,749,680</u>	<u>7,995,248</u>

The bank loans and overdraft of £4,468,824 (2016: £4,544,213) are secured by a debenture creating a fixed and floating charge over all of the assets of the Company.

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

The invoice discounting facilities of £1,381,453 (2016: £1,664,277) are secured by a charge over the Company's trade debtors.

**20 Creditors: amounts falling due after more than one year**

		<b>Group</b>		<b>Company</b>	
		<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Obligations under finance leases	<b>21</b>	-	7,883	-	7,883
Other borrowings		436,800	-	436,800	-
		<u>436,800</u>	<u>7,883</u>	<u>436,800</u>	<u>7,883</u>

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

**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	8,223	9,561	8,223	9,561
In two to five years	-	8,223	-	8,223
	<u>8,223</u>	<u>17,784</u>	<u>8,223</u>	<u>17,784</u>
Less: future finance charges	(340)	(947)	(340)	(947)
	<u>7,883</u>	<u>16,837</u>	<u>7,883</u>	<u>16,837</u>

	Liabilities	Liabilities	Assets	Assets
	2017	2016	2017	2016
Group	£	£	£	£
Accelerated capital allowances	-	48,415	(51,998)	-
Tax losses	-	-	2,890	-
Cash flow hedge	-	73,674	66,460	-
	<u>-</u>	<u>122,089</u>	<u>(51,998)</u>	<u>-</u>
	-	122,089	17,352	-
	<u>-</u>	<u>122,089</u>	<u>17,352</u>	<u>-</u>
	Liabilities	Liabilities	Assets	Assets
	2017	2016	2017	2016
Company	£	£	£	£
Accelerated capital allowances	-	48,415	(51,998)	-
Cash flow hedge	-	73,674	66,460	-
	<u>-</u>	<u>122,089</u>	<u>(51,998)</u>	<u>-</u>
	-	122,089	14,462	-

**BONNINGTON PLASTICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****22 Deferred taxation**

	<b>Group 2017 £</b>	<b>Company 2017 £</b>
<b>Movements in the year:</b>		
Liability at 1 January 2017	122,089	122,089
Charge to profit or loss	693	3,583
Credit to other comprehensive income	(140,134)	(140,134)
(Asset) at 31 December 2017	<u>(17,352)</u>	<u>(14,462)</u>

**23 Retirement benefit schemes**

	<b>2017 £</b>	<b>2016 £</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>15,519</u>	<u>16,299</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**

	<b>Group and Company 2017 £</b>	<b>2016 £</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
200,000 Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

**25 Reserves****Group 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.

**BONNINGTON PLASTICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****26 Acquisitions**

On 31 July 2017 the Company acquired 100% of the issued ordinary share capital of B4L.

	<b>Book Value</b>	<b>Adjustments</b>	<b>Fair Value</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Stock	386,323	-	386,323
Debtors	38,241	-	38,241
Creditors	(341,172)	-	(341,172)
Cash and cash equivalents	(129,225)	-	(129,225)
Total identifiable net assets	<u>(45,833)</u>	<u>-</u>	<u>(45,833)</u>
Goodwill			<u>787,473</u>
Total consideration			<u>741,640</u>
The consideration was satisfied by:			<b>£</b>
Cash			13,640
Loan			<u>728,000</u>
			<u>741,640</u>
Contribution by B4L for the reporting period included in the Group statement of comprehensive income since acquisition:			<b>£</b>
Turnover			1,915,253
Profit after tax			<u>42,583</u>

**27 Financial commitments, guarantees and contingent liabilities**

The Company has signed a cross guarantee in respect of the bank borrowings of B4L.

**BONNINGTON PLASTICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017**

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**28 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:

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	657,117	453,056	611,587	406,401
Between two and five years	2,023,019	1,022,464	1,977,489	929,156
In over five years	2,320,000	-	2,320,000	-
	<u>5,000,136</u>	<u>1,475,520</u>	<u>4,909,076</u>	<u>1,335,557</u>

**29 Capital commitments**

Amounts contracted for but not provided in the Financial Statements:

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Acquisition of tangible fixed assets	<u>40,000</u>	<u>-</u>	<u>40,000</u>	<u>-</u>



**BONNINGTON PLASTICS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017**

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**30 Directors' transactions**

Dividends totalling £0 (2016: £49,500) were paid in the year in respect of shares held by the Directors.

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

Description	% Rate	Opening balance £	Amounts advanced £	Interest charged £	Amounts repaid £	Closing balance £
Loan (to) a Director	-	(13,229)	44,030	-	(47,086)	(16,285)
Loan from a Director	3.00	-	728,000	8,818	(153,425)	583,393
Loan (to) a Director	-	(23,000)	-	-	-	(23,000)
		<u>(36,229)</u>	<u>772,030</u>	<u>8,818</u>	<u>(200,511)</u>	<u>544,108</u>

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

**31 Controlling party**

The immediate and ultimate parent company is Serra Mar Private Limited, a company incorporated in Singapore. Serra Mar Private Limited 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 (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****32 Cash generated from Group operations**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Profit for the year after tax	315,095	637,175
Adjustments for:		
Taxation charged	85,311	210,393
Finance costs	121,206	125,774
Investment income	(29,167)	(10,078)
Loss on disposal of tangible fixed assets	13,118	9,516
Amortisation and impairment of intangible assets	32,811	-
Depreciation and impairment of tangible fixed assets	160,779	205,857
Movements in working capital:		
(Increase) in stock	(305,300)	(921,333)
Decrease/(increase) in debtors	781,923	(427,700)
Increase/(decrease) in creditors	749,986	(261,322)
<b>Cash generated from/(absorbed by) operations</b>	<b>1,925,762</b>	<b>(431,718)</b>