

Company Registration No. 01557744 (England and Wales)

**HIBISCUS PLC**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2016**

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# HIBISCUS PLC

## COMPANY INFORMATION

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<b>Directors</b>	B Killerby D Killerby J Killerby
<b>Secretary</b>	M Bolton
<b>Company number</b>	01557744
<b>Registered office</b>	Hudswell Road Leeds LS10 1AG
<b>Auditors</b>	Henton & Co LLP Northgate 118 North Street Leeds West Yorkshire LS2 7PN
<b>Business address</b>	Hudswell Road Leeds LS10 1AG
<b>Bankers</b>	Barclays Bank plc 77 Albion Street Leeds LS1 5LD

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# HIBISCUS PLC

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# HIBISCUS PLC

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 OCTOBER 2016**

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The directors present the strategic report and financial statements for the year ended 31 October 2016.

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

The 2015/16 financial year saw major changes in the Chemical Industry with the movement of Mixtures to GHS/CLP. As of 1st June 2017 all mentions of the CHIP system will disappear from all elements of legislation. This is a momentous change and has caused a significant increase in software sales and support renewals in the financial year.

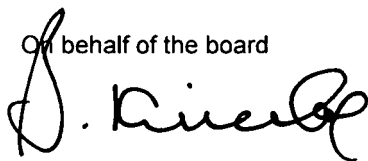
The company's sales strategy has seen its' final pieces put into place with the recruitment and training of an Account Manager. Customers have been sub-divided based on turnover to give them the best and most appropriate service.

One of the company Directors, James Killerby completed the Goldman Sachs 10,000 Small Business programme and will be looking to use what he has learned and the experiences he has had to assist the business in building on the positive results the business has seen in the financial year.

The company has made major structural and personnel changes in the year in line with the ongoing strategy in an effort to improve all areas of the business.

Looking forward the company will be purchasing a new piece of printing equipment to continue the positive trend these accounts describe. This will give the company a significant increase in capacity which, alongside the now fully implemented sales strategy will allow a further significant increase in both turnover and profitability.

On behalf of the board



B Killerby  
**Director**

27 April 2017

# HIBISCUS PLC

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 OCTOBER 2016**

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The directors present their annual report and financial statements for the year ended 31 October 2016. The prior period covers the 11 months ended 31 October 2015.

### Principal activities

The principal activity of the company continued to be that of the supply of a range of products and services directly related to the international labelling, transporting and documentation of hazardous substances.

### Directors

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

B Killerby  
D Killerby  
J Killerby

### Results and dividends

The results for the year are set out on page 6.

The directors do not recommend payment of a final dividend.

### Supplier payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

On average, trade creditors at the year end represented 65 (2015- 57) days' purchases.

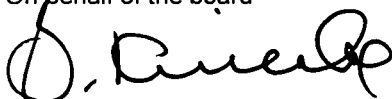
### Auditors

The auditors, Henton & Co LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the 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 company's auditors are aware of that information.

On behalf of the board



B Killerby  
Director

27 April 2017

# **HIBISCUS PLC**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 OCTOBER 2016***

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

# **HIBISCUS PLC**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HIBISCUS PLC**

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We have audited the financial statements of Hibiscus Plc for the year ended 31 October 2016 set out on pages 6 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion 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.

# HIBISCUS PLC

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF HIBISCUS PLC

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Henton & Co LLP*

Chris Howitt (Senior Statutory Auditor)  
for and on behalf of Henton & Co LLP

27 April 2017

Chartered Accountants  
Statutory Auditor

Northgate  
118 North Street  
Leeds  
West Yorkshire  
LS2 7PN



# HIBISCUS PLC

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2016

	Notes	2016 £	2015 £
Turnover	3	3,137,600	3,261,050
Cost of sales		(2,079,447)	(2,130,499)
<b>Gross profit</b>		<b>1,058,153</b>	<b>1,130,551</b>
Distribution costs		(18,234)	(19,235)
Administrative expenses		(728,304)	(886,742)
<b>Operating profit</b>	4	<b>311,615</b>	<b>224,574</b>
Interest payable and similar charges	8	(19,714)	(21,870)
<b>Profit before taxation</b>		<b>291,901</b>	<b>202,704</b>
Taxation	9	(45,350)	(32,422)
<b>Profit for the financial year</b>		<b>246,551</b>	<b>170,282</b>
<b>Total comprehensive income for the year</b>		<b>246,551</b>	<b>170,282</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# HIBISCUS PLC

## BALANCE SHEET

AS AT 31 OCTOBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	11		-		24,091
<b>Current assets</b>					
Stocks	13	325,890		376,549	
Debtors	14	1,408,902		994,745	
Cash at bank and in hand		2,521		9,214	
		<u>1,737,313</u>		<u>1,380,508</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(1,346,281)</u>		<u>(1,055,108)</u>	
Net current assets			391,032		325,400
<b>Total assets less current liabilities</b>			<u>391,032</u>		<u>349,491</u>
<b>Creditors: amounts falling due after more than one year</b>	16		-		(19,010)
<b>Net assets</b>			<u><u>391,032</u></u>		<u><u>330,481</u></u>
<b>Capital and reserves</b>					
Called up share capital	20		50,000		50,000
Profit and loss reserves			<u>341,032</u>		<u>280,481</u>
<b>Total equity</b>			<u><u>391,032</u></u>		<u><u>330,481</u></u>

The financial statements were approved by the board of directors and authorised for issue on 27 April 2017 and are signed on its behalf by:



B Killerby  
Director

Company Registration No. 01557744

# HIBISCUS PLC

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 November 2014</b>		50,000	266,199	316,199
<b>Period ended 31 October 2015:</b>				
Profit and total comprehensive income for the year		-	170,282	170,282
Dividends	10	-	(156,000)	(156,000)
<b>Balance at 31 October 2015</b>		50,000	280,481	330,481
<b>Period ended 31 October 2016:</b>				
Profit and total comprehensive income for the year		-	246,551	246,551
Dividends	10	-	(186,000)	(186,000)
<b>Balance at 31 October 2016</b>		50,000	341,032	391,032

# HIBISCUS PLC

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2016

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	23	132,471		298,435	
Interest paid		(19,714)		(21,870)	
Income taxes paid		-		(5,237)	
<b>Net cash inflow from operating activities</b>		<u>112,757</u>		<u>271,328</u>	
<b>Investing activities</b>					
Proceeds on disposal of tangible fixed assets		<u>24,851</u>		<u>-</u>	
<b>Net cash generated from/(used in) investing activities</b>		24,851		-	
<b>Financing activities</b>					
Repayment of bank loans		(49,104)		(46,571)	
Payment of finance leases obligations		(32,500)		(9,181)	
Dividends paid		<u>(186,000)</u>		<u>(156,000)</u>	
<b>Net cash used in financing activities</b>		<u>(267,604)</u>		<u>(211,752)</u>	
<b>Net (decrease)/increase in cash and cash equivalents</b>		(129,996)		59,576	
Cash and cash equivalents at beginning of year		<u>(446,596)</u>		<u>(506,172)</u>	
<b>Cash and cash equivalents at end of year</b>		<u><u>(576,592)</u></u>		<u><u>(446,596)</u></u>	
<b>Relating to:</b>					
Cash at bank and in hand		2,521		9,214	
Bank overdrafts included in creditors payable within one year		<u>(579,113)</u>		<u>(455,810)</u>	

# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 OCTOBER 2016

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#### 1 Accounting policies

##### Company information

Hibiscus Plc is a company limited by shares incorporated in England and Wales. The registered office is Hudswell Road, Leeds, LS10 1AG.

##### 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 company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 October 2016 are the first financial statements of Hibiscus PLC prepared in accordance with FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS102 was 1 November 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS102.

##### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Turnover

Turnover represents amounts receivable for goods net of VAT and trade discounts.

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), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 1.4 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:

Motor vehicles	25% straight line
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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 credited or charged to profit or loss.

##### 1.5 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

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### 1 Accounting policies

(Continued)

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents 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 overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss.

##### **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 and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

##### **Derecognition of financial liabilities**

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

# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

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### 1 Accounting policies

(Continued)

#### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.10 Taxation

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

##### *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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### 1.11 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

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

#### 1.13 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.

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.

#### 1.14 Employee Benefit Trusts

The Company has created a trust whose beneficiaries will include employees of the Company and their dependents. Assets held under this trust will be controlled by trustees who will be acting independently and entirely at their own discretion.

Where assets are held in the trust and these are considered by the Company to be in respect of services already provided by employees to the Company, the Company will account for these as assets of the Company until the earlier of it no longer having de facto control of these assets and it not obtaining future economic benefit from these assets. The value transferred will be charged in the Company's profit and loss account for the year to which it relates.

# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2016

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key areas of judgement and estimation relate to provisions against stocks and doubtful debt, but the directors are satisfied that there is no significant risk of material misstatement arising.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
<b>Turnover</b>		
Supply of labelling products	3,137,600	3,261,050

#### Turnover analysed by geographical market

	2016 £	2015 £
Within the UK	2,682,501	2,793,146
Outside the UK	455,099	467,904
	<u>3,137,600</u>	<u>3,261,050</u>

### 4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Research and development costs	18,600	18,300
Depreciation of tangible fixed assets held under finance leases	11,436	13,724
Profit on disposal of tangible fixed assets	(12,195)	-
Cost of stocks recognised as an expense	1,585,946	1,628,220
Operating lease charges	5,091	5,623

### 5 Auditors' remuneration

	2016 £	2015 £
Fees payable to the company's auditor and its associates:		
<b>For audit services</b>		
Audit of the company's financial statements	7,100	6,920



# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

### 6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2016 Number	2015 Number
Office and management	9	9
Production and sales	24	24
	<u>33</u>	<u>33</u>

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	670,582	808,329
Social security costs	70,312	73,443
Pension costs	24,339	15,455
	<u>765,233</u>	<u>897,227</u>

### 7 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	45,840	41,952
Company pension contributions to defined contribution schemes	6,000	6,000
	<u>51,840</u>	<u>47,952</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2015 - 2).

### 8 Interest payable and similar charges

	2016 £	2015 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	1,180	637
Interest on finance leases and hire purchase contracts	1,319	1,583
Other interest	17,215	19,650
	<u>19,714</u>	<u>21,870</u>

# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

### 9 Taxation

	2016 £	2015 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	45,350	32,422

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2016 £	2015 £
Profit before taxation	291,901	202,704
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	58,380	40,541
Tax effect of expenses that are not deductible in determining taxable profit	326	-
Change in unrecognised deferred tax assets	(5,310)	-
Effect of change in corporation tax rate	-	61
Group relief	(3,236)	(2,244)
Research and development tax credit	(4,810)	(7,800)
Deferred tax adjustments in respect of prior years	-	1,864
Tax expense for the year	45,350	32,422

### 10 Dividends

	2016 per share	2015 per share	2016 £	2015 £
Amounts recognised as distributions to equity holders:				
<b>Ordinary shares</b>				
Interim paid	3.72	3.12	186,000	156,000

# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

### 11 Tangible fixed assets

	Motor vehicles £
<b>Cost</b>	
At 1 November 2015	54,970
Disposals	(54,970)
At 31 October 2016	-
<b>Depreciation and impairment</b>	
At 1 November 2015	30,878
Depreciation charged in the year	11,436
Eliminated in respect of disposals	(42,314)
At 31 October 2016	-
<b>Carrying amount</b>	
At 31 October 2016	-
At 31 October 2015	24,091

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £- (2015 - £13,724) for the year.

	2016 £	2015 £
Motor vehicles	-	24,091

### 12 Financial instruments

	2016 £	2015 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	1,383,859	972,015
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,202,486	973,623

### 13 Stocks

	2016 £	2015 £
Raw materials and consumables	110,318	110,426
Work in progress	20,854	7,121
Finished goods and goods for resale	194,718	259,002
	325,890	376,549

# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

### 14 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	738,186	668,623
Amount due from parent undertaking	344,142	303,392
Other debtors	301,531	-
Prepayments and accrued income	25,043	22,730
	<u>1,408,902</u>	<u>994,745</u>

### 15 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Loans and overdrafts	17	596,564	503,354
Obligations under finance leases	18	-	32,501
Trade creditors		377,303	340,757
Corporation tax		77,772	32,422
Other taxation and social security		66,023	68,073
Other creditors		160,810	-
Accruals and deferred income		67,809	78,001
		<u>1,346,281</u>	<u>1,055,108</u>

### 16 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Loans and overdrafts	17	-	19,010
		<u>-</u>	<u>19,010</u>

### 17 Loans and overdrafts

	2016 £	2015 £
Bank loans	17,451	66,555
Bank overdrafts	579,113	455,810
	<u>596,564</u>	<u>522,365</u>
Payable within one year	596,564	503,354
Payable after one year	-	19,011
	<u>-</u>	<u>19,011</u>

The bank loans and overdrafts are secured by fixed and floating charges over the property, trade debtors and undertaking of the company.

# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

### 18 Finance lease obligations

	2016	2015
	£	£
Future minimum lease payments due under finance leases:		
Within one year	-	32,500

Finance lease payments represent rentals payable on the company motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

### 19 Retirement benefit schemes

#### Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £24,339 (2015 - £15,455).

### 20 Share capital

	2016	2015
	£	£
<b>Ordinary share capital</b>		
<b>Authorised</b>		
50,000 Ordinary shares of £1 each	50,000	50,000
<b>Issued and fully paid</b>		
50,000 Ordinary shares of £1 each	50,000	50,000

### 21 Operating lease commitments

#### Lessee

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

	2016	2015
	£	£
Within one year	21,707	10,734
Between two and five years	36,945	2,982
	58,652	13,716

# HIBISCUS PLC

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2016

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### 22 Controlling party

The ultimate parent company is Hibiscus Holdings Plc, a company incorporated in England & Wales. Hibiscus Holdings Plc owns 100% of the share capital of Hibiscus Plc.

The company is under the control of the directors by virtue of their shareholdings in Hibiscus Holdings Plc.

### 23 Cash generated from operations

	2016 £	2015 £
Profit for the year after tax	246,551	170,282
<b>Adjustments for:</b>		
Taxation charged	45,350	32,422
Finance costs	19,714	21,870
Gain on disposal of tangible fixed assets	(12,196)	-
Depreciation and impairment of tangible fixed assets	11,436	13,724
<b>Movements in working capital:</b>		
Decrease/(increase) in stocks	50,659	(11,407)
(Increase)/decrease in debtors	(414,157)	156,774
Increase/(decrease) in creditors	185,114	(85,230)
<b>Cash generated from operations</b>	<u>132,471</u>	<u>298,435</u>