

ABBHEY LABELS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017



Whiting & Partners
Chartered Accountants & Business Advisers
Greenwood House
Greenwood Court
Skyliner Way
Bury St Edmunds
Suffolk
IP32 7GY

ABBAY LABELS LIMITED
REGISTERED NUMBER: 02124264

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	1,524,866	1,552,717
		<u>1,524,866</u>	<u>1,552,717</u>
Current assets			
Stocks	5	226,307	168,006
Debtors: amounts falling due within one year	6	971,047	915,385
Cash at bank and in hand	7	1,598,905	815,971
		<u>2,796,259</u>	<u>1,899,362</u>
Creditors: amounts falling due within one year	8	(1,381,759)	(1,351,180)
Net current assets		<u>1,414,500</u>	<u>548,182</u>
Total assets less current liabilities		<u>2,939,366</u>	<u>2,100,899</u>
Provisions for liabilities			
Deferred tax	10	(149,531)	(202,422)
		<u>(149,531)</u>	<u>(202,422)</u>
Net assets		<u><u>2,789,835</u></u>	<u><u>1,898,477</u></u>

ABBEY LABELS LIMITED
REGISTERED NUMBER: 02124264

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		2	2
Profit and loss account		2,789,833	1,898,475
		<u>2,789,835</u>	<u>1,898,477</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

P R Allum
Director



T E Allum
Director



8/11/17

The notes on pages 3 to 10 form part of these financial statements.

ABBAY LABELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. General information

The company's principal activity is that of printers.

The company is a private company limited by shares and is incorporated in the UK. The address of its registered office is Abbey Labels, Lamdin Road, Bury St Edmunds, Suffolk, IP32 6NU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Tangible fixed assets

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

ABBEY LABELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 10% to 33% straight line
Motor vehicles	- 14% to 25% straight line
Fixtures and fittings	- 10% to 33% straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing

ABBEY LABELS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

2. Accounting policies (continued)

2.7 Financial instruments (continued)

transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

2. Accounting policies (continued)

2.11 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

2.12 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

ABBAY LABELS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

3. Employees

The average monthly number of employees, including directors, during the year was 34 (2016 - 32).

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 July 2016	3,513,704	130,857	214,629	76,981	3,936,171
Additions	346,580	-	35,535	30,805	412,920
At 30 June 2017	<u>3,860,284</u>	<u>130,857</u>	<u>250,164</u>	<u>107,786</u>	<u>4,349,091</u>
Depreciation					
At 1 July 2016	2,086,844	54,728	171,469	70,412	2,383,453
Charge for the year on owned assets	347,091	32,426	52,439	8,816	440,772
At 30 June 2017	<u>2,433,935</u>	<u>87,154</u>	<u>223,908</u>	<u>79,228</u>	<u>2,824,225</u>
Net book value					
At 30 June 2017	<u>1,426,349</u>	<u>43,703</u>	<u>26,256</u>	<u>28,558</u>	<u>1,524,866</u>
At 30 June 2016	<u>1,426,860</u>	<u>76,129</u>	<u>43,160</u>	<u>6,569</u>	<u>1,552,718</u>

ABBHEY LABELS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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5. Stocks

	2017 £	2016 £
Raw materials and consumables	164,763	117,754
Work in progress (goods to be sold)	28,142	24,194
Finished goods and goods for resale	33,402	26,058
	<u>226,307</u>	<u>168,006</u>

6. Debtors

	2017 £	2016 £
Trade debtors	900,028	849,811
Prepayments and accrued income	71,019	65,574
	<u>971,047</u>	<u>915,385</u>

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	1,598,905	815,971
	<u>1,598,905</u>	<u>815,971</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	234,874	435,846
Amounts owed to group undertakings	616,242	592,658
Corporation tax	236,531	73,530
Other taxation and social security	143,576	140,117
Other creditors	10,301	5,328
Accruals and deferred income	140,235	103,701
	<u>1,381,759</u>	<u>1,351,180</u>

ABBAY LABELS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

9. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	1,598,905	815,971
	<u>1,598,905</u>	<u>815,971</u>

Financial assets measured at fair value through profit or loss comprise bank and cash balances.

10. Deferred taxation

	2017 £	2016 £
At beginning of year	(202,422)	(164,293)
Charged to profit or loss	52,891	(38,129)
At end of year	<u>(149,531)</u>	<u>(202,422)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(149,531)	(202,422)
	<u>(149,531)</u>	<u>(202,422)</u>

11. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £30,345 (2016 - £30,707). Contributions totalling £10,301 (2016 - £5,328) were payable to the fund at the balance sheet date

12. Controlling party

The company's ultimate parent company and controlling party is P R Allum Limited.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

14. Auditors' information

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Christopher Kelly for and on behalf of Whiting & Partners, Statutory Auditor.