

**Ibex Marina Ropes Limited**

**Annual report and financial  
statements**

**Registered number 02194192**

**For the year ended 31 December 2016**

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## Company information

<b>Directors</b>	P Earp
<b>Secretary</b>	M Earp
<b>Registered office</b>	Spring Lane Malvern Link Malvern Worcestershire WR14 1AL
<b>Registered number</b>	02194192 (England and Wales)
<b>Auditor</b>	KPMG LLP One Snowhill Snow Hill Queensway Birmingham B4 6GH

## Director's report

The director presents his annual report and the audited financial statements for the year ended 31 December 2016.

### Principal activities

The business of the company is the manufacture of braided cord and rope.

### Review of business

The trading results for the year are shown in the profit and loss account on page 6. 2016 has been another good year, consolidating on the good performance in 2015.

The marketplace continues to be demanding but the current manufacturing flexibility, combined with continued management focus, have delivered very good results as new market opportunities continue to be exploited.

Costs are continuing to be controlled and are an ongoing focus; this ensures that incremental revenue improvements increase profitability.

### Principal risks and uncertainties

The main risks to the company are the markets in which it trades and the exposure to foreign currency fluctuations. The company has maintained its position with its customers, under the current trading conditions and limited the currency exposure when possible by the natural hedge of trading with customers and suppliers in the same currency. The risk has therefore been minimized and is not considered material.

### Dividends

No dividends will be distributed for the year ended 31 December 2016 (2015: £Nil)

### Director

P Earp held office during the whole of the period from 1 January 2016 to the date of this report.

### Disclosure of information to auditor

The director who held office at the date of approval of this director's report confirm that, so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**P Earp**  
Director

Spring Lane  
Malvern Link  
Malvern  
Worcestershire  
WR14 1AL

14 August 2017

## **Statement of directors' responsibilities in respect of the annual report and the financial statements**

The directors are responsible for preparing the directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including *FRS 102 Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 judgments and 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



**KPMG LLP**

One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH  
United Kingdom

**Independent auditor's report to the members of Ibex Marina Ropes Limited**

We have audited the financial statements of Ibex Marina Ropes Limited for the year ended 31 December 2016 set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including *FRS 102 Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**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 December 2016 and of its profit for the year then ended;
- 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.

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

In our opinion the information given in the Director's report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Director's report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

**Independent auditor's report to the members of Ibex Marina Ropes Limited**  
(continued)

**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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report



Graham Neale (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants

14 August 2017

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 December 2016*

	<i>Note</i>	<b>2016</b> £	<b>2015</b> £
<b>Turnover</b>	<b>2</b>	<b>2,606,447</b>	<b>3,098,632</b>
Cost of sales		(1,443,327)	(1,467,021)
<b>Gross profit</b>		<b>1,163,120</b>	<b>1,631,611</b>
Distribution costs		(46,944)	(47,088)
Administrative expenses		(224,457)	(336,115)
<b>Operating profit</b>	<b>3</b>	<b>891,719</b>	<b>1,248,408</b>
Interest receivable and similar income	<b>6</b>	<b>59</b>	<b>73</b>
Interest payable and similar charges	<b>7</b>	<b>(58)</b>	<b>(3,448)</b>
<b>Profit on ordinary activities before taxation</b>		<b>891,720</b>	<b>1,245,033</b>
Taxation	<b>8</b>	<b>(178,575)</b>	<b>(253,035)</b>
<b>Profit for the year</b>		<b>713,145</b>	<b>991,998</b>
<b>Total comprehensive income for the year</b>		<b>713,145</b>	<b>991,998</b>

The notes on pages 9 to 16 form an integral part of these financial statements



**Balance Sheet**  
*at 31 December 2016*

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	9	41,078	39,638
<b>Current assets</b>			
Stocks	10	378,259	386,068
Debtors	11	5,072,377	4,440,557
Cash at bank and in hand	12	186,250	169,278
		<u>5,636,886</u>	<u>4,995,903</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(369,646)</u>	<u>(440,368)</u>
<b>Net current assets</b>		<u>5,267,240</u>	<u>4,555,535</u>
<b>Total assets less current liabilities, being net assets</b>		<u>5,308,318</u>	<u>4,595,173</u>
<b>Capital and reserves</b>			
Called up share capital	16	2	2
Profit and loss account		<u>5,308,316</u>	<u>4,595,171</u>
<b>Shareholders' funds</b>		<u>5,308,318</u>	<u>4,595,173</u>

The notes on pages 9 to 16 form an integral part of these financial statements

These financial statements were approved by the board of directors on 14 April 2017 and were signed on its behalf by:



**P Earp**  
Director

Company registered number: 02194192

## Statement of Changes in Equity

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2015	2	3,603,173	3,603,175
<b>Total comprehensive income for the period</b>			
Profit or loss	-	991,998	991,998
Balance at 31 December 2015	2	4,595,171	4,595,173
Balance at 1 January 2016	2	4,595,171	4,595,173
<b>Total comprehensive income for the period</b>			
Profit or loss	-	713,145	713,145
<b>Balance at 31 December 2016</b>	<b>2</b>	<b>5,308,316</b>	<b>5,308,318</b>

The notes on pages 9 to 16 form an integral part of these financial statements

## Notes

*(forming part of the financial statements)*

### 1 Accounting Policies

Ibex Marina Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 02194192 and the registered address is Spring Lane, Malvern, Worcestershire WR14 1AL.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling.

#### Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### 1.1 Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review on page 2.

The directors believe that the company is well placed to manage its business risks successfully, despite the current uncertain economic outlook.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the going concern basis of accounting continues to be used in the preparation of the annual financial statements.

#### 1.2 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

#### 1.3 Basic financial instruments

##### Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash balances.

## Notes (continued)

### 1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

- plant and machinery 15% on cost
- fixtures and fittings 25% on cost

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

### 1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the weighted average principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

### 1.6 Employee benefits

#### *Defined contribution plans and other long term employee benefits*

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

### 1.7 Turnover

Turnover represents the amount derived from the provision of goods and services to customers, excluding value added tax.

### 1.8 Expenses

#### *Operating lease*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

#### *Interest receivable and Interest payable*

Interest payable and similar expenses include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

## Notes (continued)

### 1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing difference is not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### 2 Turnover

The turnover and profit before taxation are attributable to the principal activities of the company.

An analysis of turnover by geographical market is as follows:

	2016 £	2015 £
United Kingdom	2,306,867	2,685,418
Rest of the World	299,580	413,214
	<u>2,606,447</u>	<u>3,098,632</u>

### 3 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2016 £	2015 £
Hire of plant and machinery	27,000	27,000
Business property rental	57,750	57,750
Depreciation of owned assets	9,906	8,166
	<u>94,656</u>	<u>92,916</u>

## Notes (continued)

### 3 Expenses and auditor's remuneration (continued)

Auditor's remuneration:

	£	£
Audit of these financial statements	14,000	14,000
Taxation compliance services	4,000	4,000
	<u>18,000</u>	<u>18,000</u>

### 4 Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2016	2015
Administration	8	8
Production	23	28
	<u>31</u>	<u>36</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	532,228	609,040
Social security costs	38,907	44,642
Other pension costs	19,540	956
	<u>590,675</u>	<u>654,638</u>

### 5 Director's remuneration

The director received no emoluments for qualifying services to this company during the year (2015: £Nil). The remuneration for the director is borne by English Braids Limited.

### 6 Interest receivable and similar income

	2016 £	2015 £
Deposit account interest	59	73
	<u>59</u>	<u>73</u>

### 7 Interest payable and similar charges

	2016 £	2015 £
Foreign exchange loss	58	3,448
	<u>58</u>	<u>3,448</u>

## Notes (continued)

### 8 Taxation

#### Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2016 £	£	2015 £	£
Current tax				
Current tax on income for the period		177,544		250,285
Adjustments in respect of prior periods		41		-
		<hr/>		<hr/>
Total current tax		177,585		250,285
Deferred tax (see note 14)				
Origination and reversal of timing differences	680		2,750	
Change in tax rate	347		-	
Adjustments in respect of prior periods	(37)		-	
	<hr/>		<hr/>	
Total deferred tax		990		2,750
		<hr/>		<hr/>
Total tax		178,575		253,035
		<hr/>		<hr/>

#### Reconciliation of effective tax rate

	2016 £	2015 £
Profit for the year	713,145	991,998
Total tax expense	178,575	253,035
	<hr/>	<hr/>
Profit excluding taxation	891,720	1,245,033
Tax using the UK corporation tax rate of 20% (2015: 20.25%)	178,344	252,119
Non-deductible expenses	-	5
Depreciation on ineligible	-	246
Adjustment to deferred tax rate	227	665
Adjustment in respect of previous periods	4	-
	<hr/>	<hr/>
Total tax expense included in profit or loss	178,575	253,035
	<hr/>	<hr/>

## Notes (continued)

### 9 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost</b>			
At beginning of year	540,804	100,947	641,751
Additions	4,719	6,627	11,346
	<u>545,523</u>	<u>107,574</u>	<u>653,097</u>
<b>At end of year</b>			
	<u>545,523</u>	<u>107,574</u>	<u>653,097</u>
<b>Depreciation and impairment</b>			
At beginning of year	523,013	79,100	602,113
Depreciation charge for the year	4,049	5,857	9,906
	<u>527,062</u>	<u>84,957</u>	<u>612,019</u>
<b>At end of year</b>			
	<u>527,062</u>	<u>84,957</u>	<u>612,019</u>
<b>Net book value</b>			
At 31 December 2016	<u>18,461</u>	<u>22,617</u>	<u>41,078</u>
At 31 December 2015	<u>17,791</u>	<u>21,847</u>	<u>39,638</u>

### 10 Stocks

	2016 £	2015 £
Raw materials and consumables	229,707	259,663
Work in progress	18,326	18,515
Finished goods	130,226	107,890
	<u>378,259</u>	<u>386,068</u>

### 11 Debtors

	2016 £	2015 £
Trade debtors	234,969	225,867
Amounts owed by group undertakings	4,795,143	4,186,262
Deferred tax assets (see note 15)	5,221	6,211
Prepayments and accrued income	37,044	22,217
	<u>5,072,377</u>	<u>4,440,557</u>



## Notes (continued)

### 12 Cash and cash equivalents/ bank overdrafts

	2016 £	2015 £
Cash at bank and in hand	186,250	169,278
Cash and cash equivalents per cash flow statements	186,250	169,278

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

	2016 £	2015 £
Trade creditors	98,498	56,574
Amounts owed to group undertakings	43,890	34,700
Corporation tax	35,152	149,567
Social security and other taxes	80,549	95,600
Other creditors	30,004	29,448
Accruals and deferred income	81,553	74,479
	369,646	440,368

### 14 Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016 £	2015 £
Within one year	57,750	57,750

### 15 Deferred tax

The movement on deferred tax assets relating to other timing differences is as follows:

	£
At beginning of year	6,211
Debit to the profit and loss account	(990)
At end of year	5,221

### 16 Capital and reserves

#### Share capital

	2016 £	2015 £
Allotted, issued and fully paid 2 ordinary shares of £1 each	2	2

## Notes (continued)

### 17 Ultimate parent company and ultimate controlling party

The company is a joint venture undertaking between English Braids Limited, a company incorporated in Great Britain and P Earp. P Earp owns 100% of the share capital of English Braids Limited and accordingly is the ultimate controlling party of Ibex Marina Ropes Limited and English Braids Limited.

Copies of English Braids Limited's financial statements are available from:

Spring Lane  
Malvern  
Worcestershire  
WR14 1AL

### 18 Contingent liabilities

The company is party to a group registration for VAT. At the year end, the maximum liability under this arrangement was £69,491 (2015: £83,199).

### 19 Related party disclosures

Goods and services amounting to £173,150 (2015: £91,987) were supplied to English Braids Limited and purchases from English Braids Limited amounted to £358,847 (2015: £257,554). All transactions were made in the normal course of business.

The company was charged £27,000 (2015: £27,000) for the use of plant and machinery owned by English Braids Limited and £60,000 (2015: £60,000) for Management provided by English Braids Limited.

The company was charged £57,750 (2015: £57,750) for rental of the business property by the EBL Pension Fund through the current account with English Braids Limited. P Earp is a beneficiary of the EBL Pension Fund.

Ibex Marina Ropes Limited is jointly owned by English Braids Limited and P Earp, the ultimate controlling party.

The balance owed by English Braids Limited as at 31 December 2016 was £4,813,933 (2015: £4,186,262).

English Braids Limited paid VAT liabilities of £302,888 (2015: £345,338) on behalf of Ibex Marina Ropes Limited, which was settled through the current account.

Goods and services amounting to £113,796 (2015: £310,114) were supplied to Marlow Ropes Limited, a fellow subsidiary of English Braids Limited, and purchases from Marlow Ropes Limited amounted to £23,368 (2015: £53,035). All transactions were made in the normal course of business.

Ibex Marina Ropes Limited owed Marlow Ropes Limited £47,966 as at 31 December 2016 (2015: £34,700).

### 20 Accounting estimates and judgements

Estimates and assumptions are reviewed on an ongoing basis. The key accounting estimates and judgements are considered to be as follows:

#### Stocks

Stocks are valued at the lower of cost and net realisable value. Provisions are held in respect of obsolete, damaged or stock considered to be non-saleable.

#### Debtors

Provisions are calculated for all debts considered to be non-collectable.

#### Deferred tax

Deferred tax assets are recognised in the financial statements based on the assumption that the company has reasonable expectations of the deferred tax being utilised in future years.