

Beechfield Brands Limited

Registered number 02953704

Abbreviated accounts

For the year ended 31 December 2011

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COMPANIES HOUSE

BEECHFIELD BRANDS LIMITED

COMPANY INFORMATION

Directors	R McHugh P McHugh
Company secretary	R McHugh
Company number	02953704
Registered office	Unit 3 Warth Industrial Estate Warth Road Bury BL9 9NB
Auditors	Mazars LLP Chartered Accountants & Statutory Auditors Tower Building Water Street Liverpool L3 1PQ
Bankers	HSBC Plc 96-101 Lord Street Liverpool L2 6PG

BEECHFIELD BRANDS LIMITED

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BEECHFIELD BRANDS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and the financial statements for the year ended 31 December 2011

Principal activities

The principal activity of the company during the year continued to be the wholesale distribution of headwear and associated goods

Business review

The directors are pleased to report an excellent trading year which has seen a 12% increase in turnover compared to the prior year. Net profit levels have been maintained at £1.4 million.

The company has not paid any dividends to its parent company, Beechfield Brands Holdings Limited during the current year (2010 £3,431,140)

A positive start has been made in 2012 and the directors look forward with confidence to the future

Results and dividends

The profit for the year, after taxation, amounted to £1,058,703 (2010 - £1,054,164)

The directors do not recommend the payment of a dividend (2010 £3,431,140)

Directors

The directors who served during the year were

R McHugh
P McHugh

Directors' responsibilities statement

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 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 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

BEECHFIELD BRANDS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

Directors' responsibilities statement (continued)

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.

Provision of information to auditors


Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf



R McHugh
Secretary

Date 11.6.2012

Unit 3 Warth Industrial Estate
Warth Road
Bury
BL9 9NB

BEECHFIELD BRANDS LIMITED**INDEPENDENT AUDITORS' REPORT TO BEECHFIELD BRANDS LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 1 to 12, together with the financial statements of Beechfield Brands Limited for the year ended 31 December 2011 prepared under section 396 of the Companies Act 2006

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006

It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you. This report, including our opinion, has been prepared for and only for the company's members as a body. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in this 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 work, for this report, or for the opinions we have formed.

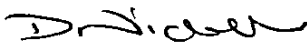
Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

The scope of our work for the purpose of this report does not include examining events occurring after the date of our auditor's report on the full financial statements.

Opinion on financial statements

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



David Nicholls (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditors

Tower Building
Water Street
Liverpool
L3 1PQ

6 July 2012

BEECHFIELD BRANDS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £
Turnover	1	9,546,970	8,555,208
Gross profit		3,102,831	2,781,613
Distribution costs		(83,550)	(67,574)
Administrative expenses		(1,538,449)	(1,242,683)
Operating profit	2	1,480,832	1,471,356
Interest payable and similar charges	5	(38,474)	(14,781)
Profit on ordinary activities before taxation		1,442,358	1,456,575
Tax on profit on ordinary activities	6	(383,655)	(402,411)
Profit for the financial year	12	1,058,703	1,054,164

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and Loss Account

The notes on pages 6 to 12 form part of these financial statements

BEECHFIELD BRANDS LIMITED

Registered number 02953704

**ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2011**

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	7		106,551		102,001
Current assets					
Stocks		3,925,651		2,297,865	
Debtors	8	1,440,243		1,023,116	
Cash at bank and in hand		971,200		758,898	
		<u>6,337,094</u>		<u>4,079,879</u>	
Creditors: amounts falling due within one year	9	<u>(2,593,135)</u>		<u>(1,394,179)</u>	
Net current assets			<u>3,743,959</u>		<u>2,685,700</u>
Total assets less current liabilities			<u>3,850,510</u>		<u>2,787,701</u>
Provisions for liabilities					
Deferred tax	10		<u>(11,848)</u>		<u>(7,742)</u>
Net assets			<u><u>3,838,662</u></u>		<u><u>2,779,959</u></u>
Capital and reserves					
Called up share capital	11		200		200
Profit and loss account	12		<u>3,838,462</u>		<u>2,779,759</u>
Shareholders' funds	13		<u><u>3,838,662</u></u>		<u><u>2,779,959</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf by


R McHugh
 Director

Date

11.6.2012

The notes on pages 6 to 12 form part of these financial statements

BEECHFIELD BRANDS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. Accounting Policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.3 Turnover

The turnover in the financial statements represents the amounts derived from the provision of goods accounted for on an accruals basis and exclusive of value added tax

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant & machinery	-	20% straight line
Motor vehicles	-	25% straight line
Fixtures & fittings	-	20% straight line
Computers & equipment	-	20% straight line

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks

The majority of the company's stock is imported from overseas and subject to lengthy periods of transportation. It is the policy of the company to include, as stock, all goods ordered from and shipped by suppliers, regardless of its location, at the balance sheet date

1.6 Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

1.7 Provisions for liabilities and charges

Provisions are set up only where it is probable that a present obligation exists as a result of an event prior to the balance sheet date and that a payment will be required in settlement that can be estimated reliably

BEECHFIELD BRANDS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. Accounting Policies (continued)

1.8 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

1.10 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. Operating profit

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	38,744	36,817
Auditors' remuneration	15,350	22,854
Operating lease rentals		
- vehicle leasing	16,485	16,645
- rent	108,855	99,892
Foreign currency (gains) / losses	(83,945)	(124,788)

BEECHFIELD BRANDS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

3 Staff costs

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	819,696	504,502
Social security costs	94,318	61,484
	<u>914,014</u>	<u>565,986</u>

The average monthly number of employees, including the directors, during the year was as follows

	2011 No.	2010 No.
Warehouse and distribution	5	4
Administration	11	10
	<u>16</u>	<u>14</u>

4. Directors' remuneration

	2011 £	2010 £
Emoluments	<u>447,830</u>	<u>207,170</u>

The highest paid director received remuneration of £370,767 (2010 - £153,438)

5. Interest payable

	2011 £	2010 £
On bank loans and overdrafts	36,093	123
On other loans	2,381	14,658
	<u>38,474</u>	<u>14,781</u>

BEECHFIELD BRANDS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

6. Taxation

	2011 £	2010 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	380,398	399,753
Adjustments in respect of prior periods	(849)	-
Total current tax	<u>379,549</u>	<u>399,753</u>
Deferred tax (see note 10)		
Origination and reversal of timing differences	4,106	2,658
Tax on profit on ordinary activities	<u>383,655</u>	<u>402,411</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 26.5% (2010 - 28%). The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before tax	<u>1,442,358</u>	<u>1,456,575</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 - 28%)	382,225	407,841
Effects of:		
Expenses not deductible for tax purposes	1,470	1,204
Capital allowances for year in excess of depreciation	(2,253)	(2,658)
Adjustments to tax charge in respect of prior periods	(849)	-
Other differences leading to a (decrease) / increase in tax	(98)	353
Utilisation of group tax losses	-	(6,987)
Marginal relief	(946)	-
Current tax charge for the year (see note above)	<u>379,549</u>	<u>399,753</u>

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 26% to 25% was substantively enacted on 5 July 2011 and is effective from 1 April 2012. This will reduce the company's future current tax charges accordingly.

Deferred taxation has been calculated at 25% in accordance with Financial Reporting Standard 19.

BEECHFIELD BRANDS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

7. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Computers and equipment £	Total £
Cost					
At 1 January 2011	186,170	16,000	101,133	155,759	459,062
Additions	4,790	-	8,754	29,750	43,294
At 31 December 2011	190,960	16,000	109,887	185,509	502,356
Depreciation					
At 1 January 2011	186,170	16,000	62,503	92,388	357,061
Charge for the year	117	-	14,067	24,560	38,744
At 31 December 2011	186,287	16,000	76,570	116,948	395,805
Net book value					
At 31 December 2011	4,673	-	33,317	68,561	106,551
At 31 December 2010	-	-	38,630	63,371	102,001

8. Debtors

	2011 £	2010 £
Trade debtors	853,511	750,861
VAT repayable	51,252	74,803
Other debtors	383,520	31,483
Prepayments and accrued income	151,960	165,969
	<u>1,440,243</u>	<u>1,023,116</u>

9 Creditors: Amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	1,499,307	149,814
Trade creditors	493,250	799,409
Corporation tax	384,602	359,952
Social security and other taxes	185,128	42,172
Accruals and deferred income	30,848	42,832
	<u>2,593,135</u>	<u>1,394,179</u>

Bank facilities including invoice discounting facilities are secured by way of a fixed and floating charge over all present and future assets of the company

BEECHFIELD BRANDS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

10 Deferred taxation

	2011 £	2010 £
At beginning of year	7,742	5,084
Charge for year	4,106	2,658
At end of year	<u>11,848</u>	<u>7,742</u>

The provision for deferred taxation is made up as follows

	2011 £	2010 £
Accelerated capital allowances	<u>11,848</u>	<u>7,742</u>

11. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
200 Ordinary shares of £1 each	<u>200</u>	<u>200</u>

12. Reserves

	Profit and loss account £
At 1 January 2011	2,779,759
Profit for the year	1,058,703
At 31 December 2011	<u>3,838,462</u>

13 Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Opening shareholders' funds	2,779,959	5,156,935
Profit for the year	1,058,703	1,054,164
Dividends (Note 14)	-	(3,431,140)
Closing shareholders' funds	<u>3,838,662</u>	<u>2,779,959</u>

BEECHFIELD BRANDS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2011

14. Dividends

	2011 £	2010 £
Dividends paid on equity capital	-	3,431,140

15 Operating lease commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2011 £	2010 £	2011 £	2010 £
Expiry date:				
Within 1 year	7,500	-	10,898	2,796
Between 2 and 5 years	101,000	101,000	-	10,898

Total aggregate commitments held under non-cancellable operating leases at 31 December 2011 were £136,231 (2010 £243,425)

16. Related party transactions

During the year management charges of £Nil (2010 £58,422) and dividends of £Nil (2010 £3,431,140) were paid to Beechfield Brands Holdings Limited by Beechfield Brands Limited

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

17. Ultimate parent undertaking and controlling party

The ultimate parent company is Beechfield Brands Holdings Limited which is a company registered in the United Kingdom

Copies of the accounts of Beechfield Brands Holdings Limited can be obtained from Registrar of Companies

The ultimate controlling party of the Beechfield Brands Holdings Limited group is R McHugh