

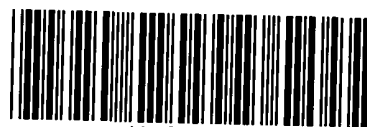
Registered number: 02953704

Beechfield Brands Limited

Abbreviated Accounts

For the year ended 31 December 2015

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Beechfield Brands Limited

Company Information

Directors	R McHugh P McHugh
Company secretary	S Bates
Registered number	02953704
Registered office	Unit 3 Warth Industrial Park Radcliffe Road Bury Lancashire BL9 9NB
Independent auditors	Hurst & Company Accountants LLP Chartered Accountants & Statutory Auditors Lancashire Gate 21 Tiviot Dale Stockport Cheshire SK1 1TD
Bankers	HSBC Plc 96-101 Lord Street Liverpool L2 6PG

Beechfield Brands Limited

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Beechfield Brands Limited

Strategic report For the year ended 31 December 2015

Introduction

The directors present their Strategic Report for the year ended 31 December 2015.

Business review

As reported in the company's profit and loss account, revenue has seen an increase of 21% due mainly to a general upturn in business in line with the recovery in the economy and an improved product offering.

The balance sheet shows that the company's net assets at the year end have increased by £1,351k. This is due to the increased sales volumes and net profits.

On 26 December 2015, the company's warehouses were flooded after a number of days of unrelenting rain. This event damaged both stock and contents, whilst also preventing normal operations after the Christmas period until mid-January 2016. We have estimated the total cost to the company as a result of this to be £2.3m at the balance sheet date. The costs are offset by an insurance claim which is currently in progress. The total of the insurance receipts are estimated to be £2.35m which represents all costs incurred to 31 December 2015 less insurance excesses.

Principal risks and uncertainties

Management continually monitors the key risks facing the business such as:

Economic stability. The company acknowledges the importance of maintaining close relationships with its key customers in order to be able to identify the early signs of potential financial difficulties. Sales trends in its major markets are constantly reviewed to enable early action to be taken in the event of sales declining.

Competitor pressure. The market in which the company operates is competitive. The company differentiates itself by offering a comprehensive range of quality products and maintains strong relationships with its key customers.

Reliance on key suppliers. The company's purchasing activities could expose it to over-reliance on certain suppliers. The company manages this risk by ensuring there is enough breadth in its supplier base and by constantly seeking to find potential alternative suppliers that could be used.

Loss of key personnel. This would present significant operational difficulties for the company. Management seeks to ensure that key personnel are appropriately remunerated to ensure that good performance is recognised.

Key performance indicators

Management uses a range of performance measures to monitor and manage the business. Key financial and non-financial indicators are:

Profit ratios. Gross profit percentage finished 1% up on the previous year and net profit percentage increased 1.1% due to increased gross profit, whilst administration expenses increased only marginally.

Activity ratios. Debtor days were reported at 36 days for 2015, a moderate increase on the prior year (30 days 2014) and creditor days reduced from 30 days in 2014 to 24 days in 2015 as the mix of suppliers changed over the year. Stock holding days, excluding exceptional amounts written off, have remained similar at 185 days for 2015 (2014: 193 days).

Beechfield Brands Limited

Strategic report (continued)
For the year ended 31 December 2015

Corporate responsibility

Ethical trading

The company is committed to upholding the highest ethical and environmental standards throughout our entire supply chain reflecting our vision that corporate responsibility is no longer optional but essential.

We operate according to an ethical policy that protects and rewards every individual involved in the manufacture and supply of our products. The policy references, respects and enhances local laws and regulations, with regard to wages, health and safety, workers' welfare and human rights and it expressly forbids the use of child workers or coerced/forced labour.

This policy allows our customers to buy our products in the knowledge that they are partnering with a responsible company that is focused on working to minimise the negative impact of the textile industry on the environment.


Our field based staff carry out inspections on all of our manufacturing partners to ensure that our ethical standards are constantly maintained, in addition to our own visits we also commission third-party social compliance audits, in accordance with SA8000 guidelines.

We endeavour to protect the quality of the environment through sound environmental practice. We ensure that our manufacturing partners meet or exceed all local environmental laws and regulations, and we promote energy efficiency and the reduction of waste at every stage of production.

Communities

The company is focused on putting something back into the communities in which we operate, and as such we are supporting a number of groups both in the UK and abroad that cover a range of causes that we feel are important including amateur and junior sports clubs, environmental groups, homeless charities and international humanitarian organisations. We provide support to these groups through the supply of products and cash donations.

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


.....
R McHugh
Director

Date:

12.9.16

Beechfield Brands Limited

Directors' report For the year ended 31 December 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The 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 for the company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Results and dividends

The profit for the year, after taxation, amounted to £3,047,224 (2014: £2,353,238).

Dividends totalling £1,636,164 were paid during the year (2014: £58,800)

Directors

The directors who served during the year were:

R McHugh
P McHugh

Future developments

The directors look forward to continued growth in 2016 despite the challenges the company will face as an importer post-Brexit.

Beechfield Brands Limited

**Directors' report
For the year ended 31 December 2015**

Disclosure 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 relevant audit information and to establish that the company's auditors are aware of that information.

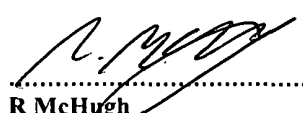
Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditors

Hurst & Company Accountants LLP have been appointed to replace Mazars LLP as auditors of the company commencing with the 2015 financial year.

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


.....
R McHugh
Director

Date:

12.9.16

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 6 to 24, together with the financial statements of Beechfield Brands Limited for the year ended 31 December 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

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.

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.

Opinion

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.

Hurst & Company Accountants LLP

Helen Besant-Roberts (Senior statutory auditor)
for and on behalf of

Hurst & Company Accountants LLP

Chartered Accountants

Statutory Auditors

Lancashire Gate

21 Tiviot Dale

Stockport

Cheshire

SK1 1TD

Date: 18 September 2016

Beechfield Brands Limited

**Abbreviated statement of comprehensive income
For the year ended 31 December 2015**

	Note	2015 £	2014 £
Turnover		19,969,849	16,538,130
Cost of sales		(13,503,658)	(11,322,637)
Gross profit		6,466,191	5,215,493
Distribution costs		(219,641)	(161,859)
Administrative expenses		(2,487,080)	(2,065,001)
Other operating income	4	2,350,000	-
Other operating charges	5	(2,287,842)	-
Operating profit	6	3,821,628	2,988,633
Interest receivable and similar income	10	7,286	7,507
Interest payable and expenses	11	(1,752)	-
Profit before tax		3,827,162	2,996,140
Tax on profit	12	(779,938)	(642,902)
Profit for the year		3,047,224	2,353,238
Other comprehensive income for the year			
Fair value (losses)/gains on forward currency contracts		(60,318)	379,443
		(60,318)	379,443
Total comprehensive income for the year		2,986,906	2,732,681


The notes on pages 10 to 24 form part of these financial statements.

Beechfield Brands Limited
Registered number: 02953704

Abbreviated balance sheet
As at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	14	239,585	204,622
Current assets			
Stocks	15	4,849,030	5,980,994
Debtors: amounts falling due within one year	16	4,792,587	2,075,651
Cash at bank and in hand	17	3,693,348	2,401,575
		<u>13,334,965</u>	<u>10,458,220</u>
Creditors: amounts falling due within one year	18	(2,908,469)	(1,347,646)
Net current assets		<u>10,426,496</u>	<u>9,110,574</u>
Total assets less current liabilities		<u>10,666,081</u>	<u>9,315,196</u>
Provisions for liabilities			
Deferred tax	20	(26,853)	(26,710)
Net assets		<u><u>10,639,228</u></u>	<u><u>9,288,486</u></u>
Capital and reserves			
Called up share capital	21	200	200
Other reserves	22	184,947	245,265
Profit and loss account	22	10,454,081	9,043,021
Shareholders' funds		<u><u>10,639,228</u></u>	<u><u>9,288,486</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: 12.9.16

The notes on pages 10 to 24 form part of these financial statements.

Beechfield Brands Limited

**Statement of changes in equity
For the year ended 31 December 2015**

	Share capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
At 1 January 2015	200	245,265	9,043,021	9,288,486
Comprehensive income for the year				
Profit for the year	-	-	3,047,224	3,047,224
Gains / (loss) on forward contracts	-	(60,318)	-	(60,318)
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(1,636,164)	(1,636,164)
At 31 December 2015	200	184,947	10,454,081	10,639,228

**Statement of changes in equity
For the year ended 31 December 2014**

	Share capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
At 1 January 2014	200	(134,178)	6,748,583	6,614,605
Comprehensive income for the year				
Profit for the year	-	-	2,353,238	2,353,238
Gain / (loss) on forward contracts	-	379,443	-	379,443
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(58,800)	(58,800)
At 31 December 2014	200	245,265	9,043,021	9,288,486

The notes on pages 10 to 24 form part of these financial statements.

Beechfield Brands Limited

**Abbreviated statement of cash flows
For the year ended 31 December 2015**

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	3,047,224	2,353,238
Adjustments for:		
Depreciation of tangible assets	77,178	67,283
Loss on disposal of tangible assets	12,938	-
Decrease/(increase) in stocks	1,131,964	(1,356,853)
Interest paid	1,752	-
Interest received	(7,286)	(7,507)
Taxation charge	779,938	642,902
Increase in debtors	(2,777,254)	(438,137)
Increase in creditors	1,484,932	146,671
Corporation tax paid	(703,904)	(979,956)
Net cash generated from operating activities	3,047,482	427,641
Cash flows from investing activities		
Purchase of tangible fixed assets	(142,579)	(114,460)
Sale of tangible fixed assets	17,500	-
Interest received	7,286	7,507
Net cash from investing activities	(117,793)	(106,953)
Cash flows from financing activities		
Dividends paid	(1,636,164)	(58,800)
Interest paid	(1,752)	-
Net cash used in financing activities	(1,637,916)	(58,800)
Net increase in cash and cash equivalents	1,291,773	261,888
Cash and cash equivalents at beginning of year	2,401,575	2,139,687
Cash and cash equivalents at the end of year	3,693,348	2,401,575
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,693,348	2,401,575

Beechfield Brands Limited

Notes to the abbreviated accounts For the year ended 31 December 2015

1. General information

Beechfield Brands Limited is a company limited by members capital incorporated in England. The address of the registered office and principal place of business is Unit 3, Warth Industrial Park, Radcliffe Road, Bury, Lancashire, BL9 9NB.

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 28.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

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;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

2. Accounting policies (continued)

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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	- 20% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 20% straight line
Computer equipment	- 20% 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.

2.4 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

2.5 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 first in, first out basis.

At each balance sheet 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.

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

2. Accounting policies (continued)

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.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.7 Financial instruments

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

2.8 Hedge accounting

The company has entered into forward currency contracts to manage its exposure to cash flow risk on its overseas purchases. These derivatives are measured at fair value at each balance sheet date. To the extent the hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the period.

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The company's functional 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 profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

2.11 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 payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.12 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

2. Accounting policies (continued)

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 profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 balance sheet.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change 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 balance sheet 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 balance sheet 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 balance sheet date.

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The key sources of estimation, uncertainty and critical accounting judgement in applying the company's policies are discussed below.

Provision for discontinued and slow moving stock

The company reviews its stocks to assess for discontinued stock lines and slow moving stock lines. In determining whether a provision for discontinued and slow moving stocks should be recorded in profit or loss, the company makes judgements as to the future saleability of the product and the estimated net realisable value for such product. Accordingly, provisions are made where the net realisable value is less than the cost.

Other estimates and judgements

Management of the company also exercises significant judgement in estimating the useful life of property, plant and equipment.

Significant judgement has also been applied in estimating insurance claims receivable and cost provisions in relation to a flood which occurred in the period at the main premises. See note 4 for further details.

Should these estimates vary, the profit or loss and balance sheet of the following years could be impacted.

4. Other operating income

	2015 £	2014 £
Insurance claims receivable	2,350,000	-

On the 26 December 2015, the company's warehouses were flooded after a number of days of unrelenting rain. This event damaged both stock and contents, whilst also preventing normal operations commencing after the Christmas holidays until mid-January 2016. At the balance sheet date we have estimated our insurance claim attributable to related losses recognised in the year (as detailed in note 5) to be £2.35m which relates to the replacement value of assets/stock lost, less the policy excesses which have been expensed within the profit and loss account.

5. Other operating charges

	2015 £	2014 £
Damaged/lost stock	2,010,322	-
Other costs	264,064	-
Damaged/lost fixed assets	13,456	-
	2,287,842	-

Other operating charges relate to the costs associated with the flood as described in note 4. The costs include the write down and removal of damaged/lost stock net of provisions, other costs in relation to premises maintenance and the carrying value of assets damaged/lost.

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

6. Operating profit

The operating profit is stated after charging/(crediting):

	2015 £	2014 £
Depreciation of tangible fixed assets	77,178	67,283
Operating lease rentals	180,447	136,849
Loss on disposal of tangible assets	12,938	-
Exchange differences	(4,916)	(38,783)
	<u>77,178</u>	<u>136,849</u>

7. Auditors' remuneration

	2015 £	2014 £
Fees payable for the audit of the company's annual accounts	22,000	15,700
All other services	3,000	3,750
	<u>22,000</u>	<u>15,700</u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	1,019,208	815,272
Social security costs	110,951	45,079
Cost of defined contribution scheme	245,578	157,497
	<u>1,375,737</u>	<u>1,017,848</u>

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

	2015 No.	2014 No.
Warehouse and distribution	8	8
Administration	19	16
	<u>27</u>	<u>24</u>

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

9. Directors' remuneration

	2015 £	2014 £
Directors' emoluments	84,106	129,804
Company contributions to defined contribution pension schemes	100,000	59,333

During the year retirement benefits were accruing to 2 directors (2014 -1) in respect of defined contribution pension schemes.

10. Interest receivable

	2015 £	2014 £
Other interest receivable	7,286	7,507

11. Interest payable and similar charges

	2015 £	2014 £
Bank interest payable	1,752	-

12. Taxation

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	780,001	634,110
Adjustments in respect of previous periods	(206)	-
Total current tax	779,795	634,110
Deferred tax		
Origination and reversal of timing differences	143	8,792
Taxation on profit on ordinary activities	779,938	642,902

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2014 - *higher than*) the standard rate of corporation tax in the UK of 20% (2014 - 21%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>3,827,162</u>	<u>2,996,140</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 21%)	765,432	629,189
Effects of:		
Expenses not deductible for tax purposes	5,185	2,058
Capital allowances for year in excess of depreciation	(115)	(11,686)
Adjustments to tax charge in respect of prior periods	(206)	-
Other differences leading to an increase (decrease) in the tax charge	9,499	14,549
Origination and reversal of timing differences	143	8,792
Total tax charge for the year	<u>779,938</u>	<u>642,902</u>

13. Dividends

	2015 £	2014 £
Dividends paid on equity capital	<u>1,636,164</u>	<u>58,800</u>

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

14. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2015	191,547	116,556	140,397	320,958	769,458
Additions	-	78,361	58,105	6,113	142,579
Disposals	(3,712)	(47,771)	(32,491)	-	(83,974)
At 31 December 2015	187,835	147,146	166,011	327,071	828,063
Depreciation					
At 1 January 2015	186,798	51,226	117,907	208,905	564,836
Charge owned for the period	117	28,901	12,198	35,962	77,178
Disposals	(3,712)	(19,244)	(30,580)	-	(53,536)
At 31 December 2015	183,203	60,883	99,525	244,867	588,478
Net book value					
At 31 December 2015	4,632	86,263	66,486	82,204	239,585
At 31 December 2014	4,749	65,330	22,490	112,053	204,622

15. Stocks

	2015 £	2014 £
Finished goods and goods for resale	4,849,030	5,980,994

Stock recognised in cost of sales during the year as an expense was £11,610,373 (2014: £9,426,082).

An impairment loss of £120,130 (2014: £156,401) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

16. Debtors

	2015 £	2014 £
Trade debtors	1,943,032	1,368,185
Other debtors	2,480,278	297,208
Prepayments and accrued income	184,330	164,993
Derivatives	184,947	245,265
	<u>4,792,587</u>	<u>2,075,651</u>

17. Cash and cash equivalents

	2015 £	2014 £
Cash at bank and in hand	<u>3,693,348</u>	<u>2,401,575</u>

18. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	871,294	930,207
Corporation tax	360,001	284,110
Taxation and social security	63,021	66,377
Other creditors	1,500,000	61
Accruals and deferred income	114,153	66,891
	<u>2,908,469</u>	<u>1,347,646</u>

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

19. Financial instruments

	2015 £	2014 £
Financial assets		
Derivatives measured at fair value through other comprehensive income	184,947	245,265
Financial assets that are debt instruments measured at amortised cost	4,423,310	1,665,393
	<u>4,608,257</u>	<u>1,910,658</u>
Financial liabilities		
Financial liabilities measured at amortised cost	1,235,447	997,098

Derivatives measured at fair value through other comprehensive income comprise fair value gains on forward contracts. The company has elected to adopt the hedging rules in accordance with FRS102 section 12. The company is hedging against exchange rate risk on future foreign currency stock purchases by using forward exchange contracts. The fair value gain on contracts in place at the year end is held in other reserves. The period over which the cash flows are expected to occur are in line with planned stock purchases in 2016.

Financial assets measured at amortised cost comprise trade and other receivables.

Financial liabilities measured at amortised cost comprise trade and other payables.

20. Deferred taxation

	Deferred tax £
At 1 January 2015	26,710
Charged to the profit or loss	143
At 31 December 2015	<u>26,853</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	26,853	26,710

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

21. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
200 Ordinary shares of £1 each	<u>200</u>	<u>200</u>

22. Reserves

Other reserves

Other reserves comprise of unrealised gains and losses on forward foreign currency contracts designated as qualifying cash flow hedges.

Profit and loss account

Includes all current and prior period retained profits and losses.

23. 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 £245,578 (2014 - £157,497). No contributions were payable to the fund at the balance sheet date.

24. Commitments under operating leases

At 31 December 2015 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Not later than 1 year	207,492	152,456
Later than 1 year and not later than 5 years	441,600	451,743
Total	<u>649,092</u>	<u>604,199</u>

25. Transactions with directors

Included within other debtors due within one year is a loan to director P McHugh of £26,176 (2014: £157,500). No interest is being charged on the loan which is repayable on demand.

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

26. Related party transactions

The directors have chosen not to disclose transactions entered into with other companies wholly owned within the group as permitted under FRS 102 paragraph 33.1A.

Included within other creditors due within one year are directors loans totalling £1,250,000 (2014: £nil).

Key management personnel compensation totalled £184,106 (2014: £189,137).

27. Controlling party

The ultimate parent company is Beechfield Brands Holdings Limited, a company registered in England.

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

The ultimate controlling party of Beechfield Brands Holdings Limited group is R McHugh by virtue of his majority ownership of the voting share capital.

Beechfield Brands Limited

**Notes to the abbreviated accounts
For the year ended 31 December 2015**

28. Transition to FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2014. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 January 2014

	£
Equity at 1 January 2014 under previous UK GAAP	6,748,783
Fair value losses on derivatives in place at the period end	(134,178)
Equity shareholders funds at 1 January 2014 under FRS 102	6,614,605

Reconciliation of equity at 31 December 2014

	£
Equity at 31 December 2014 under previous UK GAAP	9,043,221
Fair value gains on derivatives in place at the period end	245,265
Equity shareholders funds at 31 December 2014 under FRS 102	9,288,486

The following were changes in accounting policies arising from the transition to FRS 102:

The changes to previously reported equity on transition to FRS 102 relate to fair value gains and losses on forward foreign currency contracts in place at each period end. These derivatives have been designated as qualifying cash flow hedges therefore the fair value movements are recognised in other comprehensive income and held in other reserves until the contracts are settled.