

Company Registration No. 03195826 (England and Wales)

NUCO INTERNATIONAL LIMITED
ANNUAL REPORT AND ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
PAGES FOR FILING WITH REGISTRAR



NUCO INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors	K S F Matthews I A Bowland
Secretary	J O Jolly
Company number	03195826
Registered office	Unit 5, Villiers Court Meriden Business Park Coventry West Midlands CV5 9RG
Auditor	Thomas & Young Limited Carleton House 266-268 Stratford Road Shirley Solihull B90 3AD
Bankers	The Royal Bank of Scotland Plc 79/83 Colmore Row Birmingham B3 2AP
Solicitors	The Wilkes Partnership LLP Stanton House 54 Stratford Road Shirley West Midlands B90 3LS

NUCO INTERNATIONAL LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditor's report	4
Abbreviated statement of comprehensive income	5
Balance sheet	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9 - 22

NUCO INTERNATIONAL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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

Fair review of the business

Nuco International Limited's ("the Company") key financial indicators in £'000 during the year were as follows:-

Turnover has increased by 23% from £9,942 (2014) to £12,239 (2015).

Operating profit has increased by 23% from £268 (2014) to £329 (2015).

Profit after tax has increased by 47% from £143 (2014) to £210 (2015).

Shareholders' funds have increased by 43% from £223 (2014) to £319 (2015).

The anticipated increase in turnover forecast in last year's review was achieved with additional Nu brand sales, further progress in Nu Agencies and greater penetration in the Education sales channel. The Company has positioned itself well to deal with the challenges presented by the UK's decision to exit the European Union and this, combined with continued development in the three main sales channels of Nu brand, Nu Agencies and Education; should lead to another solid year in 2016.

Principal risks and uncertainties

Nuco evaluates the main risks facing the Company formally in monthly board meetings and weekly management meetings. In addition, measures are in place to manage and address risks on a daily basis through the policies and procedures implemented by the Company.

The principal risks and uncertainties facing the Company are broadly grouped as follows:

Operational

The Company's operations include long term contracts and some long lead times for supply where anticipated outcomes may alter with the passage of time and Nuco have procedures in place for the continuous monitoring and evaluation of all customer and supplier contracts to ensure problems are identified at an early stage.

The tender approval processes and contract acceptance protocols reflect the Company's attitude to risk and every effort is made to assess the financial covenants of all partners involved with a contract.

The success of the Company is very dependent upon the recruitment and retention of good quality staff and Nuco seeks to make itself the preferred employer in the sector.

Nuco has developed and maintains strong relationships with all stakeholders such as customers, suppliers and financiers to provide a solid base for the operational activities of the Company.

Competitive

The private label business involves contracts that are subject to competitive tender and contracts are secured on the basis of quality, financial and performance criteria. The Company recognises the need for strong relationships with customers and the importance of successful contract delivery to gain both a competitive advantage in the open market and the opportunity to introduce the Nu brand to customers.

Legislative

The Company's management systems aim to ensure compliance with all relevant regulations.

Health and safety

The activities of Nuco in the stationery sector are low risk and the Company makes every effort to ensure its health and safety policies are of the highest standard, are fit for purpose and are strictly adhered to on a daily basis.

Financial

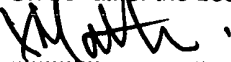
The Company has established a risk and financial management framework with the primary objective of protecting Nuco from events that hinder the achievement of the Company's performance objectives.

All credit, liquidity and foreign exchange risks are considered and monitored in conjunction with the production of short and long term cash flows to ensure financial obligations are met as they fall due.

Environmental

The Company recognises the need to protect the environment and has appropriate corporate responsibility and corporate sustainability policies in place.

On behalf of the board



K S F Matthews

Director

30/8/16

NUCO INTERNATIONAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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

Principal activities

The principal activity of the company continued to be that of the sale of stationery.

Directors

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

K S F Matthews
I A Bowland

Results and dividends

The results for the year are set out on page 5.

Ordinary dividends were paid amounting to £114,000. The directors do not recommend payment of a final dividend.

Auditor

The auditor, Thomas & Young Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



K S F Matthews

Director

30/8/16

NUCO INTERNATIONAL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

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

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

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

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

NUCO INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO NUCO INTERNATIONAL LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 22, together with the financial statements of Nuco International 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 Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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 to be delivered are properly prepared.

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 to be delivered 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.



James Carty ACA FCCA (Senior Statutory Auditor)
for and on behalf of Thomas & Young Limited

Chartered Accountants
Statutory Auditor

1/9/16

Carleton House
266-268 Stratford Road
Shirley
Solihull
B90 3AD

NUCO INTERNATIONAL LIMITED

ABBREVIATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	3	12,239,203	9,942,368
Other operating income and cost of sales		(10,472,552)	(8,344,559)
Administrative expenses		(1,437,469)	(1,329,803)
Operating profit	4	329,182	268,006
Interest payable and similar charges	7	(83,257)	(79,661)
Profit before taxation		245,925	188,345
Taxation	8	(36,332)	(45,695)
Profit for the financial year		209,593	142,650
Other comprehensive income		-	-
Total comprehensive income for the year		209,593	142,650

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

NUCO INTERNATIONAL LIMITED

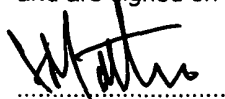
BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Goodwill	10		281,667		314,167
Tangible assets	11		164,767		180,769
			<u>446,434</u>		<u>494,936</u>
Current assets					
Stocks	13	693,098		1,471,338	
Debtors	14	2,596,288		3,117,786	
Cash at bank and in hand		26,756		125,413	
		<u>3,316,142</u>		<u>4,714,537</u>	
Creditors: amounts falling due within one year	15	(3,428,014)		(4,963,037)	
Net current liabilities			(111,872)		(248,500)
Total assets less current liabilities			<u>334,562</u>		<u>246,436</u>
Creditors: amounts falling due after more than one year	16		(15,796)		(20,747)
Provisions for liabilities	21		-		(2,516)
Net assets			<u>318,766</u>		<u>223,173</u>
Capital and reserves					
Called up share capital	22	100,000		100,000	
Profit and loss reserves		218,766		123,173	
Total equity		<u>318,766</u>		<u>223,173</u>	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 30/8/16 and are signed on its behalf by:


 K S F Matthews
 Director

Company Registration No. 03195826

NUCO INTERNATIONAL LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2014		100,000	88,523	188,523
Year ended 31 December 2014:				
Profit and total comprehensive income for the year		-	142,650	142,650
Dividends	9	-	(108,000)	(108,000)
Balance at 31 December 2014		100,000	123,173	223,173
Year ended 31 December 2015:				
Profit and total comprehensive income for the year		-	209,593	209,593
Dividends	9	-	(114,000)	(114,000)
Balance at 31 December 2015		100,000	218,766	318,766

NUCO INTERNATIONAL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28		1,142,997		(529,203)
Interest paid			(83,257)		(79,661)
Income taxes paid			(51,035)		(15,847)
Net cash inflow/(outflow) from operating activities			1,008,705		(624,711)
Investing activities					
Purchase of tangible fixed assets		(43,263)		(66,586)	
Proceeds on disposal of tangible fixed assets		11,550		15,450	
Net cash used in investing activities			(31,713)		(51,136)
Financing activities					
Repayment of borrowings		(939,329)		790,215	
Payment of finance leases obligations		(22,320)		19,162	
Dividends paid		(114,000)		(108,000)	
Net cash (used in)/generated from financing activities			(1,075,649)		701,377
Net (decrease)/increase in cash and cash equivalents			(98,657)		25,530
Cash and cash equivalents at beginning of year			125,413		99,883
Cash and cash equivalents at end of year			26,756		125,413

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

Nuco International Limited is a company limited by shares incorporated in England and Wales. The registered office is Unit 5, Villiers Court, Meriden Business Park, Coventry, West Midlands, CV5 9RG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of Nuco International Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

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

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	25% straight line
Fixtures & fittings	15% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.7 Stocks

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

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

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

Derecognition of financial liabilities

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

1.10 Equity instruments

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

1.11 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided at appropriate rates on all timing differences using the liability method.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

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

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

(Continued)

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.16 Invoice discounting

The gross amount of invoices discounted are shown in the balance sheet as trade debtors and the advances against them are included in the balance sheet as trade creditors. The interest and charges element of the advances are recognised as they accrue and are included in the profit and loss account.

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

	2015 £	2014 £
Total turnover	12,239,203	9,942,368

4 Operating profit

	2015 £	2014 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(225,061)	(229,784)
Fees payable to the company's auditor for the audit of the company's financial statements	10,640	9,925
Depreciation of owned tangible fixed assets	33,159	30,031
Depreciation of tangible fixed assets held under finance leases	14,777	14,631
Profit/(loss) on disposal of tangible fixed assets	(221)	5,792
Amortisation of intangible assets	32,500	32,500
Cost of stocks recognised as an expense	10,690,602	8,570,834
Operating lease charges	104,958	104,929

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

5 Employees

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

	2015 Number	2014 Number
Staff (including director)	19	19

Their aggregate remuneration comprised:

	2015 £	2014 £
Wages and salaries	504,323	538,283
Social security costs	56,336	62,463
Pension costs	11,486	10,142
	572,145	610,888

6 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	30,289	31,459

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2014 - 2).

7 Interest payable and similar charges

	2015 £	2014 £
Interest on financial liabilities measured at amortised cost:		
Interest on finance leases and hire purchase contracts	5,024	4,490
Interest on invoice finance arrangements	78,233	75,171
	83,257	79,661

8 Taxation

	2015 £	2014 £
Current tax		
UK corporation tax on profits for the current period	45,396	49,037
Adjustments in respect of prior periods	(6,548)	-
Total current tax	38,848	49,037

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

8 Taxation

(Continued)

Deferred tax

Origination and reversal of timing differences	(2,516)	(3,342)
	<u> </u>	<u> </u>
Total tax charge	36,332	45,695
	<u> </u>	<u> </u>

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

	2015 £	2014 £
Profit before taxation	245,925	188,345
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2014: 20.00%)	49,185	37,669
Tax effect of expenses that are not deductible in determining taxable profit	7,805	2,684
Depreciation on assets not qualifying for tax allowances	4,194	8,684
Research and development tax credit	(15,788)	-
Under/(over) provided in the year	(6,548)	-
Deferred tax adjustments in respect of prior years	(2,516)	(3,342)
	<u> </u>	<u> </u>
Tax expense for the year	36,332	45,695
	<u> </u>	<u> </u>

9 Dividends

	2015 £	2014 £
Interim paid	114,000	108,000
	<u> </u>	<u> </u>

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

10 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2015 and 31 December 2015	650,000
Amortisation and impairment	
At 1 January 2015	335,833
Amortisation charged for the year	32,500
At 31 December 2015	368,333
Carrying amount	
At 31 December 2015	281,667
At 31 December 2014	314,167

11 Tangible fixed assets

	Office equipment £	Fixtures & fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2015	149,240	83,312	252,658	485,210
Additions	3,773	-	39,490	43,263
Disposals	-	-	(48,701)	(48,701)
At 31 December 2015	153,013	83,312	243,447	479,772
Depreciation and impairment				
At 1 January 2015	135,509	54,662	114,270	304,441
Depreciation charged in the year	7,708	4,237	35,991	47,936
Eliminated in respect of disposals	-	-	(37,372)	(37,372)
At 31 December 2015	143,217	58,899	112,889	315,005
Carrying amount				
At 31 December 2015	9,796	24,413	130,558	164,767
At 31 December 2014	13,731	28,650	138,388	180,769

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

11 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2015 £	2014 £
Motor vehicles	51,419	94,817
Depreciation charge for the year in respect of leased assets	14,777	14,631

12 Financial instruments

	2015 £	2014 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,545,061	3,000,917
Carrying amount of financial liabilities		
Measured at amortised cost	3,352,842	4,753,080

13 Stocks

	2015 £	2014 £
Finished goods and goods for resale	693,098	1,471,338

14 Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Trade debtors	2,001,126	2,407,304
Corporation tax recoverable	27,823	27,821
Amount due from parent undertaking	241,987	241,987
Other debtors	301,948	351,626
Prepayments and accrued income	23,404	89,048
	2,596,288	3,117,786

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

15 Creditors: amounts falling due within one year

	Notes	2015 £	2014 £
Obligations under finance leases	18	25,993	43,362
Other borrowings	17	1,206,349	2,145,678
Trade creditors		1,836,318	2,197,644
Corporation tax		45,396	57,581
Other taxation and social security		45,572	173,123
Other creditors		22,927	20,568
Accruals and deferred income		245,459	325,081
		<u>3,428,014</u>	<u>4,963,037</u>

16 Creditors: amounts falling due after more than one year

	Notes	2015 £	2014 £
Obligations under finance leases	18	<u>15,796</u>	<u>20,747</u>

17 Loans and overdrafts

	2015 £	2014 £
Other loans	<u>1,206,349</u>	<u>2,145,678</u>
Payable within one year	<u>1,206,349</u>	<u>2,145,678</u>

The invoice discounting loan is secured by fixed and floating charges over the undertaking and all property and assets present and future.

18 Finance lease obligations

	2015 £	2014 £
Future minimum lease payments due under finance leases:		
Within one year	25,993	43,362
In two to five years	15,796	20,747
	<u>41,789</u>	<u>64,109</u>

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

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

19 Provisions for liabilities

		2015 £	2014 £
Deferred tax liabilities	21	-	2,516
		-	2,516

20 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit and loss in respect of defined contribution schemes was £11,486 (2014 - £10,142).

21 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2015 £	Liabilities 2014 £
Balances:		
Accelerated capital allowances	-	2,516

There were no deferred tax movements in the year.

22 Share capital

	2015 £	2014 £
Ordinary share capital		
Authorised		
100,000 Ordinary shares of £1 each	100,000	100,000
Issued and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

23 Operating lease commitments

Lessee

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

	2015 £	2014 £
Within one year	100,000	-

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

23 Operating lease commitments (Continued)

Between two and five years	-	100,000
	<u>100,000</u>	<u>100,000</u>

24 Financial commitments

At the year end the company had options to buy forward contracts of £3,845,696 between January 2016 and December 2016 (2014 : £2,109,465).

25 Related party transactions

Transactions with related parties

During the year the company paid rent of £100,000 (2014 : £100,000) to a group of individual SIPPS, of which Mr K Matthews and Mr I A Bowland are members.

During the year Mr I A Bowland invoiced the company £19,800 (2014 : £19,150) for consultancy services.

No guarantees have been given or received.

26 Directors' transactions

The loan is interest free and repayable on demand.

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
K S F Matthews -	-	109,651	-	-	(8,801)	100,850
		<u>109,651</u>	<u>-</u>	<u>-</u>	<u>(8,801)</u>	<u>100,850</u>

27 Controlling party

The ultimate parent company is Winbus Limited, a company registered in England and Wales.

Throughout the period the company was under the control of its parent company Winbus Limited, Mr K S F Matthews is the major shareholder of Winbus Limited.

NUCO INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

28 Cash generated from operations

	2015 £	2014 £
Profit for the year after tax	209,593	142,650
Adjustments for:		
Taxation charged	36,332	45,695
Finance costs	83,257	79,661
(Gain)/loss on disposal of tangible fixed assets	(221)	5,792
Amortisation and impairment of intangible assets	32,500	32,500
Depreciation and impairment of tangible fixed assets	47,936	44,662
Movements in working capital:		
Decrease/(increase) in stocks	778,240	(437,792)
Decrease/(increase) in debtors	521,500	(538,942)
(Decrease)/increase in creditors	(566,140)	96,571
Cash generated from/(absorbed by) operations	1,142,997	(529,203)