Company Registration No. 03195826 (England and Wales)

NUCO INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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NUCO INTERNATIONAL LIMITED

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NUCO INTERNATIONAL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets	3		216,667		249,167
Tangible assets	4		199,735		232,746
Investments	5		167		-
			416,569		481,913
Current assets					
Stocks		504,319		749,363	
Debtors	6	3,277,546		3,290,005	
Cash at bank and in hand		73,549		53,489	
		3,855,414		4,092,857	
Creditors: amounts falling due within one year	7	(3,874,496)		(4,052,801)	
Net current (liabilities)/assets			(19,082)		40,056
Total assets less current liabilities			397,487		521,969
Creditors: amounts falling due after more than one year	8		(36,328)		(72,127)
Net assets			361,159		449,842
Capital and reserves					
Called up share capital	9		100,000		100,000
Profit and loss reserves			261,159		349,842
Total equity			361,159		449,842

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 25/9/2018 and are signed on its behalf by:

K S F Matthews
Director

Company Registration No. 03195826

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	16		573,125		(28,631)
Interest paid			(82,654)		(76,901)
Income taxes paid			(52,025)		(42,808)
Net cash inflow/(outflow) from operating activities			438,446		(148,340)
Investing activities					
Purchase of tangible fixed assets		(50,122)		(147,034)	
Proceeds on disposal of tangible fixed assets		25,352		26,975	
Proceeds on disposal of subsidiaries		(167)		-	
Net cash used in investing activities			(24,937)		(120,059)
Financing activities					
Repayment of borrowings		(177,084)		373,979	
Payment of finance leases obligations		(32,365)		84,253	
Dividends paid		(184,000)		(163,100)	
Net cash (used in)/generated from financing activities			(393,449)		295,132
Net increase in cash and cash equivalents			20,060		26,733
Cash and cash equivalents at beginning of year			53,489		26,756
Cash and cash equivalents at end of year			73,549		53,489

1 Accounting policies

Company information

Nuco International Limited is a private 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 under 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.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 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 it is probable will be recovered.

1 Accounting policies **(Continued)**

1.3 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.

1.4 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.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

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.

1 Accounting policies **(Continued)**

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.

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 the lower of replacement cost and 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 at bank and in hand

Cash at bank and in hand are basic financial assets and 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 balance sheet 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.

1 Accounting policies **(Continued)**

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.

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 payments 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.

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.

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 Derivatives
Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

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

1 Accounting policies **(Continued)**

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.

1.13 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.

1.14 Retirement benefits

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

1.15 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.

1.16 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.

1.17 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 Employees

The average monthly number of persons (including directors) employed by the company during the year was 19 (2016 - 19).

3 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 January 2017 and 31 December 2017	650,000
Amortisation and impairment	
At 1 January 2017	400,833
Amortisation charged for the year	32,500
At 31 December 2017	433,333
Carrying amount	
At 31 December 2017	216,667
At 31 December 2016	249,167

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2017	531,272
Additions	50,122
Disposals	(59,349)
At 31 December 2017	522,045
Depreciation and impairment	
At 1 January 2017	298,526
Depreciation charged in the year	54,466
Eliminated in respect of disposals	(30,682)
At 31 December 2017	322,310
Carrying amount	
At 31 December 2017	199,735
At 31 December 2016	232,746

5 Fixed asset investments

	2017	2016
	£	£
Investments	167	-

5 Fixed asset investments (Continued)

Fixed asset investments not carried at market value

6 Debtors

Amounts falling due within one year:	2017 £	2016 £
Trade debtors	2,330,176	2,479,212
Amounts owed by group undertakings	563,476	241,987
Other debtors	383,894	568,806
	3,277,546	3,290,005

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	2,142,513	2,015,946
Other taxation and social security	35,696	85,521
Other creditors	1,696,287	1,951,334
	3,874,496	4,052,801

Included in other creditors are advances made by ABN AMRO Commercial Finance PLC of £1,580,328 (2016: £1,206,349) secured by fixed and floating charges over the undertaking and all property and assets present and future.

8 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	36,328	72,127

9 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000
	100,000	100,000

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was James Carty ACA FCCA.
The auditor was Thomas & Young Limited.

11 Financial instruments

The company enters into foreign currency contracts to mitigate the exchange rate risk for certain foreign currency suppliers. At the year end the company had options to buy forward contracts of £2,572,283 between January 2018 and December 2018 (2016 : £3,179,583). The forward currency contracts are measured at fair value using quoted forward exchange rates.

12 Operating lease commitments

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

	2017	2016
	£	£
	816,667	916,667

13 Related party transactions

Transactions with related parties

13 Related party transactions (Continued)

During the year the company paid rent of £100,000 (2015 : £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 (2015 : £19,150) for consultancy services.

14 Directors' transactions

Description	% Rate	Opening balance £	Amounts repaid £	Closing balance £
K S F Matthews -	-	101,216	(31,779)	69,437
		101,216	(31,779)	69,437

The loan is interest free and repayable on demand.

15 Parent company

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.

16 Cash generated from operations

	2017	2016
	£	£
Profit for the year after tax	95,317	294,176
Adjustments for:		
Taxation charged	6,050	51,929
Finance costs	82,654	76,901
Loss on disposal of tangible fixed assets	3,315	4,861
Amortisation and impairment of intangible assets	32,500	32,500
Depreciation and impairment of tangible fixed assets	54,466	47,219
Movements in working capital:		
Decrease/(increase) in stocks	245,044	(56,265)
Decrease/(increase) in debtors	12,459	(696,209)
Increase in creditors	41,320	216,257
Cash generated from/(absorbed by) operations	573,125	(28,631)