

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31st March 2015
for
POLPO LIMITED

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POLPO LIMITED

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for the year ended 31st March 2015

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POLPO LIMITED

Company Information
for the year ended 31st March 2015

DIRECTORS:

R Beatty
R Norman

SECRETARY:

R Beatty

REGISTERED OFFICE:

Old Barn House
2 Wannions Close
Chesham
Buckinghamshire
HP5 1YA

REGISTERED NUMBER:

06842440 (England and Wales)

AUDITORS:

Jacquards
2 Burton House
Repton Place
White Lion Road
Amersham
Buckinghamshire
HP7 9LP

POLPO LIMITED

Strategic Report
for the year ended 31st March 2015

The directors present their strategic report for the year ended 31st March 2015.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The primary drivers behind the Company are Russell Norman and Richard Beatty. During the year the Company continued its strategy of structured growth and expect a further growth in the portfolio of sites during the current year. The profit for the period before taxation was £881,443 (2014: £1,169,255).

PRINCIPAL RISKS AND UNCERTAINTIES

The on-going economic uncertainties and associated issues, such as taxation and inflation, continue to put pressure on disposable incomes. These pressures may impact on discretionary spending on businesses in our industry, as well as create greater competitive strategies. The Company monitors the levels of external debt and targets its site to minimise the impact of any fluctuations in the sector.

In addition, the Company faces price variances in relation to its source of supplies. The directors have taken appropriate measures to mitigate the risks faced and consider the Company to be well placed to meet changes in the operating environment and hence minimise the impact going forward.

STRATEGY AND FUTURE DEVELOPMENT

The market for good locations, specifically in London, remains very competitive despite the current economic environment. The Company has an experienced team focused on opportunities as they arise and to manage the development at its existing sites.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'R Beatty', is written over a horizontal line.

R Beatty - Director

21st December 2015

POLPO LIMITED

Report of the Directors
for the year ended 31st March 2015

The directors present their report with the financial statements of the company for the year ended 31st March 2015.

DIVIDENDS

The total distribution of dividends for the year ended 31st March 2015 will be £540,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st April 2014 to the date of this report.

R Beatty
R Norman

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Jacquards, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'R Beatty', written over a horizontal line.

R Beatty - Director

21st December 2015

Report of the Independent Auditors to the Members of Polpo Limited

We have audited the financial statements of Polpo Limited for the year ended 31st March 2015 on pages six to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

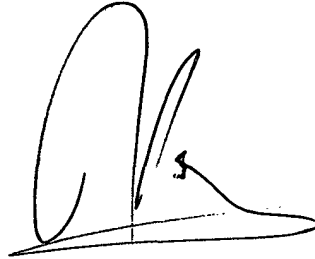
Report of the Independent Auditors to the Members of
Polpo Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Jayesh Patel (Senior Statutory Auditor)
for and on behalf of Jacquards
2 Burton House
Repton Place
White Lion Road
Amersham
Buckinghamshire
HP7 9LP



21st December 2015

POLPO LIMITED

Profit and Loss Account
for the year ended 31st March 2015

	Notes	2015 £	2014 £
TURNOVER		11,534,824	8,262,022
Cost of sales		<u>6,759,289</u>	<u>4,530,767</u>
GROSS PROFIT		4,775,535	3,731,255
Administrative expenses		<u>3,835,920</u>	<u>2,536,830</u>
OPERATING PROFIT	3	939,615	1,194,425
Interest receivable and similar income		<u>2,896</u>	<u>4,317</u>
		942,511	1,198,742
Interest payable and similar charges	4	<u>61,068</u>	<u>29,487</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		881,443	1,169,255
Tax on profit on ordinary activities	5	<u>172,711</u>	<u>260,763</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>708,732</u></u>	<u><u>908,492</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

POLPO LIMITED (REGISTERED NUMBER: 06842440)

Balance Sheet
31st March 2015

	Notes	£	2015	£	2014	£
FIXED ASSETS						
Intangible assets	7			56,000		84,000
Tangible assets	8			3,149,539		2,810,715
				<u>3,205,539</u>		<u>2,894,715</u>
CURRENT ASSETS						
Stocks	9		49,842		62,033	
Debtors	10		800,906		480,360	
Cash at bank and in hand			738,507		615,560	
			<u>1,589,255</u>		<u>1,157,953</u>	
CREDITORS						
Amounts falling due within one year	11		2,396,869		2,083,050	
NET CURRENT LIABILITIES				<u>(807,614)</u>		<u>(925,097)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				2,397,925		1,969,618
CREDITORS						
Amounts falling due after more than one year	12			(1,011,300)		(835,178)
PROVISIONS FOR LIABILITIES	16			<u>(253,605)</u>		<u>(170,152)</u>
NET ASSETS				<u>1,133,020</u>		<u>964,288</u>
CAPITAL AND RESERVES						
Called up share capital	17			100		100
Profit and loss account	18			1,132,920		964,188
SHAREHOLDERS' FUNDS	22			<u>1,133,020</u>		<u>964,288</u>

The financial statements were approved by the Board of Directors on 21st December 2015 and were signed on its behalf by:



R Beatty - Director

The notes form part of these financial statements

POLPO LIMITED

Cash Flow Statement
for the year ended 31st March 2015

		2015		2014	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		1,180,519		2,035,820
Returns on investments and servicing of finance	2		(58,172)		(25,170)
Taxation			-		(182,309)
Capital expenditure	2		(687,655)		(1,917,109)
Equity dividends paid			(540,000)		(675,200)
			(105,308)		(763,968)
Financing	2		228,255		907,956
Increase in cash in the period			122,947		143,988
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		122,947		143,988	
Cash inflow from increase in debt		(281,306)		(694,531)	
Change in net debt resulting from cash flows			(158,359)		(550,543)
Movement in net debt in the period			(158,359)		(550,543)
Net (debt)/funds at 1st April			(331,440)		219,103
Net debt at 31st March			(489,799)		(331,440)

The notes form part of these financial statements

POLPO LIMITED

Notes to the Cash Flow Statement
for the year ended 31st March 2015

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015	2014
	£	£
Operating profit	939,615	1,194,425
Depreciation charges	376,831	196,631
Decrease/(increase) in stocks	12,191	(16,976)
(Increase)/decrease in debtors	(286,869)	20,256
Increase in creditors	138,751	641,484
Net cash inflow from operating activities	1,180,519	2,035,820

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015	2014
	£	£
Returns on investments and servicing of finance		
Interest received	2,896	4,317
Interest paid	(61,068)	(29,487)
Net cash outflow for returns on investments and servicing of finance	(58,172)	(25,170)
Capital expenditure		
Purchase of tangible fixed assets	(687,655)	(1,920,582)
Sale of tangible fixed assets	-	3,473
Net cash outflow for capital expenditure	(687,655)	(1,917,109)
Financing		
New loans in year	455,114	947,000
Loan repayments in year	(173,808)	(252,469)
Amount introduced by directors	-	213,425
Amount withdrawn by directors	(53,051)	-
Net cash inflow from financing	228,255	907,956

The notes form part of these financial statements

POLPO LIMITED

Notes to the Cash Flow Statement
for the year ended 31st March 2015

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/14 £	Cash flow £	At 31/3/15 £
Net cash:			
Cash at bank and in hand	615,560	122,947	738,507
	<u>615,560</u>	<u>122,947</u>	<u>738,507</u>
Debt:			
Debts falling due within one year	(111,822)	(105,184)	(217,006)
Debts falling due after one year	(835,178)	(176,122)	(1,011,300)
	<u>(947,000)</u>	<u>(281,306)</u>	<u>(1,228,306)</u>
Total	<u>(331,440)</u>	<u>(158,359)</u>	<u>(489,799)</u>

The notes form part of these financial statements

POLPO LIMITED

Notes to the Financial Statements
for the year ended 31st March 2015

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents sale of goods and services, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2012, is being amortised evenly over its estimated useful life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvement	- over the lease period
Plant, machinery and equipment	- 10% to 33% straight line

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. **STAFF COSTS**

	2015	2014
	£	£
Wages and salaries	3,474,210	2,492,549
Social security costs	405,556	-
Other pension costs	23,879	-
	<u>3,903,645</u>	<u>2,492,549</u>

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

	2015	2014
Operations and management	<u>246</u>	<u>175</u>

POLPO LIMITED

Notes to the Financial Statements - continued
for the year ended 31st March 2015

3. OPERATING PROFIT

The operating profit is stated after charging:

	2015	2014
	£	£
Hire of plant and machinery	7,894	9,682
Other operating leases	1,085,726	562,730
Depreciation - owned assets	348,831	168,631
Goodwill amortisation	28,000	28,000
Auditors' remuneration	19,200	14,250
Auditors' remuneration for non audit work	<u>11,675</u>	<u>-</u>
Directors' remuneration	<u>55,400</u>	<u>55,400</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
Bank loan interest	<u>61,068</u>	<u>29,487</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2015	2014
	£	£
Current tax:		
UK corporation tax	89,258	170,060
Deferred tax	<u>83,453</u>	<u>90,703</u>
Tax on profit on ordinary activities	<u>172,711</u>	<u>260,763</u>

UK corporation tax has been charged at 20.39% (2014 - 22.28%).

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2015	2014
	£	£
Profit on ordinary activities before tax	<u>881,443</u>	<u>1,169,255</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.390% (2014 - 22.280%)	179,726	260,510
Effects of:		
Capital allowances in excess of depreciation	(90,167)	(90,121)
Allowable charges for tax purposes	<u>(301)</u>	<u>(329)</u>
Current tax charge	<u>89,258</u>	<u>170,060</u>

POLPO LIMITED

Notes to the Financial Statements - continued
for the year ended 31st March 2015

6. DIVIDENDS

	2015 £	2014 £
Interim dividend	<u>540,000</u>	<u>675,200</u>

7. INTANGIBLE FIXED ASSETS

COST

At 1st April 2014		Goodwill £
and 31st March 2015		<u>140,000</u>

AMORTISATION

At 1st April 2014		56,000
Amortisation for year		<u>28,000</u>

At 31st March 2015		<u>84,000</u>
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NET BOOK VALUE

At 31st March 2015		<u>56,000</u>
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At 31st March 2014		<u>84,000</u>
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8. TANGIBLE FIXED ASSETS

	Short leasehold £	Improvements to property £	Plant and machinery £
COST			
At 1st April 2014	51,653	1,404,634	998,725
Additions	<u>-</u>	<u>251,220</u>	<u>245,859</u>
At 31st March 2015	<u>51,653</u>	<u>1,655,854</u>	<u>1,244,584</u>
DEPRECIATION			
At 1st April 2014	8,078	135,112	74,793
Charge for year	<u>4,039</u>	<u>125,415</u>	<u>117,152</u>
At 31st March 2015	<u>12,117</u>	<u>260,527</u>	<u>191,945</u>
NET BOOK VALUE			
At 31st March 2015	<u>39,536</u>	<u>1,395,327</u>	<u>1,052,639</u>
At 31st March 2014	<u>43,575</u>	<u>1,269,522</u>	<u>923,932</u>

POLPO LIMITED

Notes to the Financial Statements - continued
for the year ended 31st March 2015

8. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1st April 2014	604,925	2,166	116,882	3,178,985
Additions	<u>159,234</u>	<u>-</u>	<u>31,342</u>	<u>687,655</u>
At 31st March 2015	<u>764,159</u>	<u>2,166</u>	<u>148,224</u>	<u>3,866,640</u>
DEPRECIATION				
At 1st April 2014	92,989	2,166	55,132	368,270
Charge for year	<u>70,494</u>	<u>-</u>	<u>31,731</u>	<u>348,831</u>
At 31st March 2015	<u>163,483</u>	<u>2,166</u>	<u>86,863</u>	<u>717,101</u>
NET BOOK VALUE				
At 31st March 2015	<u>600,676</u>	<u>-</u>	<u>61,361</u>	<u>3,149,539</u>
At 31st March 2014	<u>511,936</u>	<u>-</u>	<u>61,750</u>	<u>2,810,715</u>

9. STOCKS

	2015 £	2014 £
Stocks	<u>49,842</u>	<u>62,033</u>

10. DEBTORS

	2015 £	2014 £
Amounts falling due within one year:		
Trade debtors	261,972	224,066
Other debtors	1,813	-
Directors' current accounts	35,113	-
Tax	-	1,436
Prepayments and accrued income	<u>373,719</u>	<u>151,319</u>
	<u>672,617</u>	<u>376,821</u>
Amounts falling due after more than one year:		
Rent deposits	<u>128,289</u>	<u>103,539</u>
Aggregate amounts	<u>800,906</u>	<u>480,360</u>

POLPO LIMITED

Notes to the Financial Statements - continued
for the year ended 31st March 2015

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Bank loans and overdrafts (see note 13)	217,006	111,822
Trade creditors	663,849	934,113
Corporation tax	257,882	170,060
Social security and other taxes	89,241	69,042
VAT	397,717	244,452
Other creditors	94,505	55,320
Directors' current accounts	24,673	42,611
Accruals and deferred income	651,996	455,630
	<u>2,396,869</u>	<u>2,083,050</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015	2014
	£	£
Bank loans (see note 13)	<u>1,011,300</u>	<u>835,178</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2015	2014
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>217,006</u>	<u>111,822</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>223,006</u>	<u>117,109</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>588,326</u>	<u>386,272</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>199,968</u>	<u>331,797</u>

14. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2015	2014
	£	£
Expiring:		
Within one year	22,600	22,600
In more than five years	861,000	771,000
	<u>883,600</u>	<u>793,600</u>

POLPO LIMITED

Notes to the Financial Statements - continued
for the year ended 31st March 2015

15. SECURED DEBTS

The following secured debts are included within creditors:

	2015 £	2014 £
Bank loans	<u>1,228,306</u>	<u>947,000</u>

16. PROVISIONS FOR LIABILITIES

	2015 £	2014 £
Deferred tax	<u>253,605</u>	<u>170,152</u>

	Deferred tax £
Balance at 1st April 2014	170,152
Accelerated capital allowances	<u>83,453</u>
Balance at 31st March 2015	<u>253,605</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015 £	2014 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

18. RESERVES

	Profit and loss account £
At 1st April 2014	964,188
Profit for the year	708,732
Dividends	<u>(540,000)</u>
At 31st March 2015	<u>1,132,920</u>

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31st March 2015 and 31st March 2014:

	2015 £	2014 £
R Norman		
Balance outstanding at start of year	-	122,754
Amounts advanced	35,113	-
Amounts repaid	-	<u>(122,754)</u>
Balance outstanding at end of year	<u>35,113</u>	<u>-</u>

POLPO LIMITED

Notes to the Financial Statements - continued
for the year ended 31st March 2015

19. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

Loans to directors had no terms attaching and were cleared in April 2015.

20. **RELATED PARTY DISCLOSURES**

During the year, total dividends of £540,000 (2014 - £675,200) were paid to the directors.

21. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling parties are R Beatty and R Norman, who are the directors and each own 50% of the issued share capital of the company.

22. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2015 £	2014 £
Profit for the financial year	708,732	908,492
Dividends	(540,000)	(675,200)
Net addition to shareholders' funds	168,732	233,292
Opening shareholders' funds	964,288	730,996
Closing shareholders' funds	1,133,020	964,288