

**Friska Limited**

Annual report and Financial Statements

Registered number 06851798

30 September 2018



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## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

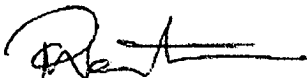
**Balance Sheet**  
*at 30 September 2018*

	<i>Note</i>	<b>2018</b> £	2017 £
<b>Fixed assets</b>			
Tangible assets	4	1,540,995	1,187,419
Intangible assets	5	13,236	
Investments in subsidiary	6	60,310	60,310
		<hr/>	<hr/>
		1,614,541	1,247,729
<b>Current assets</b>			
Stocks	7	80,963	72,967
Debtors	8	231,321	199,922
Cash at bank and in hand	9	1,571,543	2,431,984
		<hr/>	<hr/>
		1,883,827	2,704,873
<b>Creditors: amounts falling due within one year</b>	10	<b>(877,718)</b>	<b>(769,558)</b>
		<hr/>	<hr/>
<b>Net current assets</b>		<b>1,006,109</b>	<b>1,935,315</b>
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		<b>2,620,650</b>	<b>3,183,044</b>
<b>Creditors: amounts falling due after more than one year</b>	10	<b>(3,286,598)</b>	<b>(3,044,689)</b>
<b>Provisions for liabilities</b>	11	<b>(356,927)</b>	<b>(361,420)</b>
		<hr/>	<hr/>
<b>Net (liabilities)</b>		<b>(1,022,875)</b>	<b>(223,065)</b>
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	14	44	44
Share premium reserve		509,772	509,772
Profit and loss account		(1,532,691)	(732,881)
		<hr/>	<hr/>
<b>Shareholders' deficit</b>		<b>(1,022,875)</b>	<b>(223,065)</b>
		<hr/>	<hr/>

The profit and loss account and directors' report have not been delivered to the Registrar of Companies in accordance with the special provisions applicable to companies subject to the small companies regime. These accounts have been prepared and delivered in accordance with the provision applicable to companies subject to the small companies regime.

The notes to the accounts on pages 4 to 16 are an integral part of the financial statements.

These financial statements were approved by the board of directors on 29 March 2019 and were signed on its behalf by:

  
**P Westmore**  
*Director*

Company registered number: 6851798

## Statement of Changes in Equity

	Share Capital £	Share Premium £	Profit and loss account £	Total £
<i>Unaudited</i>				
Balance at 1 October 2016	27	249,993	(245,458)	4,562
Loss for the year	-	-	(487,243)	(487,423)
<b>Total comprehensive income for the period</b>			(487,243)	(487,423)
New share capital subscribed	17	259,779	-	259,796
<b>At 30 September 2017</b>	<b>44</b>	<b>509,772</b>	<b>(732,881)</b>	<b>(223,065)</b>
	Share Capital £	Share Premium £	Profit and loss account £	Total £
<b>Balance at 1 October 2017</b>	44	509,772	(732,881)	(223,065)
Loss for the year	-	-	(799,810)	(799,810)
<b>Total comprehensive income for the period</b>	-	-	(799,810)	(799,810)
<b>At 30 September 2018</b>	<b>44</b>	<b>509,772</b>	<b>(1,532,691)</b>	<b>(1,022,875)</b>

The notes to the accounts on pages 4 to 16 are an integral part of the financial statements.

## **Notes**

*(forming part of the financial statements)*

### **1 General information**

The Company is a private company limited by share capital incorporated in the United Kingdom. The registered number is 06851798

The address of its registered office is:

S1 Bristol & Exeter House  
Lower Approach Road  
Bristol  
BS1 6QS

### **2 Accounting policies**

These financial statements were prepared in accordance with Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling.

In these financial statements, the company is considered to be a small entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

▣ **Cash Flow Statement and related notes;**

The financial statements are prepared on the historical cost basis. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### *Key accounting estimates and judgements*

The judgement made by the directors, in the application of these accounting policies that has the most significant effect on the financial statements and estimates with a significant risk of material misstatement in the next year relates to property provisions. Provisions are liabilities of uncertain timing or amount and therefore judgement is applied in making a reliable estimate of the quantum and timing. Further disclosure regarding provisions is given in Note 17.

#### **2.1 Going Concern**

Notwithstanding the losses made by the Company in the year of £799,810 (2017 £487,423), the financial statements have been prepared on the going concern basis.

Since the fund raising in July 2017, there has been additional cash outflows during this phase as expected to support the development of the business, including an increase in central overheads and the associated costs of opening new stores. Including one off pre-opening costs, losses from the new stores accounts for £235,565 of the loss for the year (2017: £91,899).

The balance sheet remains strong, with net current assets of £1,006,109 (2017: £1,935,315) with a healthy cash position of £1,571,543 at the year end (2017: £2,431,984). The company has total net liabilities of £1,022,875 at the year end (2017: £223,065), which includes £3,182,903 (2017: £3,035,711) relating to shareholder loan notes (see note 23). At the date of signing these accounts, the cash held has decreased and net liabilities increased, which principally reflects the opening of an additional store post balance sheet date.

The company is mainly financed through shareholder loans. The directors have made cash flow projections, including considering downside sensitivities, and aside from the shareholder loan repayments in 2022 discussed below, have an expectation based on these forecasts of having cash available to meet liabilities and to progress towards cash generation.

## **Notes** *(continued)*

### **2 Accounting policies** *(continued)*

#### **2.1 Going Concern** *(continued)*

It is expected, and consistent with the business plan, that the Company will not be able to repay the shareholder loans from operating cash flows, when they mature in 2022. Based on verbal discussions with, and indications provided by the primary funders, the directors expect that the loans will be extended or restructured to enable the Company to continue in operation.

Therefore, having considered the financial performance and financial position of the Company, and based on the future plans for the business, discussions with the primary funders as to future intentions, together with considering certain possible financial impacts as a result of the UK leaving the European Union, the directors consider the going concern basis to be appropriate and that the Company has sufficient cash resources to finance the business beyond the next 12 months from the signing of these financial statements..

#### **2.2 Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

Revenue is recognised when services are physically provided to the customer, it is probable that future economic benefits will flow to the entity, and these can be reliably measured.

## Notes (continued)

### 2 Accounting policies (continued)

#### 2.3 Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. Lease payments are accounted for as described at 2.3 above.

Where dilapidation provisions (see 2.9) are recognised at the start of a lease, the costs are capitalised within tangible assets as leasehold improvements. These leasehold improvements are depreciated over the life of the lease.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

- Land & buildings                      10% Straight Line
- Fixtures, fittings & equipment    15% Reducing Balance
- Motor Vehicles                        20% Straight Line

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

#### 2.4 Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

- Website costs                            10% Straight Line

#### 2.5 Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.



## **Notes (continued)**

### **2 Accounting policies (continued)**

#### **2.6 Basic financial instruments**

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **2.7 Stocks**

Stocks are stated at the lower of cost and estimated selling price. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and packaging to create the end product. At each reporting date, stocks are assessed for impairment. If stocks are 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.

#### **2.8 Provisions**

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

The Company provides for onerous property provisions on a site by site basis due to the unique nature and location of each site. The provision is made for the best estimate of the expected cost of exiting a property, including dilapidations where applicable. Dilapidations are provided for specific individual properties where an outflow of resources is probable at the cessation of the lease and the amount of the obligation can be reliably estimated. Where significant, amounts are discounted.

#### **2.9 Borrowings**

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

#### **2.10 Share capital and Share premium**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. Share premium represents the amount above the nominal value received for shares sold, less transaction costs.

**Notes** *(continued)*

**2 Accounting policies** *(continued)*

**2.11 Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

**3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	<b>2018</b>	2017
	<b>No.</b>	No.
Store based	97	76
Admin & Support	8	8
Marketing	1	1
	<hr/>	<hr/>
	<b>106</b>	85
	<hr/> <hr/>	<hr/> <hr/>

**Notes (continued)**

**4 Tangible assets**

	Leasehold improvements £	Land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 October 2017	109,193	547,320	868,651	13,995	1,539,159
Additions	33,236	323,869	185,136	-	542,241
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 September 2018	142,429	871,189	1,053,787	13,995	2,081,400
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>					
At 1 October 2017	9,796	84,582	251,764	5,598	351,740
Depreciation charge for the year	10,687	69,360	105,819	2,799	188,665
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Balance at 30 September 2018	20,483	153,942	357,583	8,397	540,405
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>					
At 30 September 2018	121,946	717,247	696,204	5,598	1,540,995
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 September 2017	99,397	462,738	616,887	8,397	1,187,419
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**5 Intangible assets**

	Website costs £	Total £
<b>Cost or valuation</b>		
At 1 October 2017	-	-
Additions	14,706	14,706
	<u>          </u>	<u>          </u>
At 30 September 2018	14,706	14,706
	<u>          </u>	<u>          </u>
<b>Amortisation</b>		
At 1 October 2017	-	-
Amortisation charge for the year	1,470	1,470
	<u>          </u>	<u>          </u>
Balance at 30 September 2018	1,470	1,470
	<u>          </u>	<u>          </u>
<b>Carrying amount</b>		
At 30 September 2018	13,236	13,236
	<u>          </u>	<u>          </u>
At 30 September 2017	-	-
	<u>          </u>	<u>          </u>

**6 Investments in subsidiary**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Investments in subsidiaries	<b>60,310</b>	60,310
<hr/>		
Subsidiaries		
<b>Cost</b>	<b>£</b>	
At beginning of year	<b>60,310</b>	
Additions	-	
<hr/>		
At end of year	<b>60,310</b>	
<hr/>		

Investments above which represent a holding greater than 20% are as follows:

	Registered office address	Class of shares held	Ownership 2018	Ownership 2017
Topper Systems Limited	S1 Bristol & Exeter House, Lower Approach Road, Bristol, BS1 6QS	Ordinary	%	%
			100	100

**Notes (continued)**

**7 Stocks**

	2018	2017
	£	£
Raw materials and finished goods	80,963	72,967
	<u>          </u>	<u>          </u>

**8 Debtors**

	2018	2017
	£	£
Trade debtors	103,837	145,768
Other debtors	127,484	54,154
	<u>          </u>	<u>          </u>
Total debtors	231,321	199,922
	<u>          </u>	<u>          </u>

All debtors are due within one year.

**9 Cash and cash equivalents**

	2018	2017
	£	£
Cash on hand	27,387	31,529
Cash at bank	1,544,156	2,400,455
	<u>          </u>	<u>          </u>
Total Cash and cash equivalents	1,571,543	2,431,984
	<u>          </u>	<u>          </u>

**10 Creditors**

	2018	2017
	£	£
<b>Due within one year</b>		
Loans and borrowings (see note 23)	77,368	53,825
Trade creditors	287,918	347,858
Taxation and social securities	166,406	93,959
Other creditors & accruals	346,026	273,916
	<u>          </u>	<u>          </u>
	877,718	769,558
	<u>          </u>	<u>          </u>
<b>Due after one year</b>		
	<u>          </u>	<u>          </u>
Loans and borrowings (see note 16)	3,286,598	3,044,689
	<u>          </u>	<u>          </u>

**Notes (continued)**

**11 Provisions**

	<b>Onerous lease provision</b>	<b>Dilapidation provision</b>	<b>Total</b>
	£	£	£
Balance at 1 October 2017	205,000	156,420	361,420
Provisions made during the year	-	33,237	33,237
Provisions used during the year	(39,958)	-	(39,958)
Unwinding of discounted amount	-	2,228	2,228
<b>Balance at 30 September 2018</b>	<b>165,042</b>	<b>191,885</b>	<b>356,927</b>

**12 Pensions and other schemes**

**Defined contribution pension scheme**

The company operates a defined contribution pension scheme. Contributions totalling £6,886 (2017: £2,495) were payable to the scheme at the end of the year and are included in other creditors.

**13 Events after the reporting period**

On 30<sup>th</sup> November 2018, an underlease was signed in relation to a lease obligation for a non-trading site to which an onerous lease provision was established in the 2017 financial statements. The provision held at 30 September 2018 will be released in the 2019/20 year and amount to £117,000.

**14 Share Capital**

**Allotted, called up and fully paid shares**

	<b>2018</b>		<b>2017</b>	
	No.	£	No.	£
Ordinary shares of £0.0001 each	418,280	42	418,280	42
Growth Shares issued £0.0001 each	18,689	2	17,799	2
	<b>436,969</b>	<b>44</b>	<b>436,079</b>	<b>44</b>

**Notes (continued)**

**15 Operating leases**

Non-cancellable operating lease rentals are payable as follows:

	2018 £000	2017 £000
Less than one year	336,722	273,957
Between one and five years	959,211	755,845
More than five years	847,626	525,105
	2,143,559	1,554,907

**16 Interest-bearing loans and borrowings**

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	2018 £	2017 £
<b>Creditors falling due within less than one year</b>		
Bank borrowings	-	7,187
Finance lease liabilities	8,047	-6,223
Other borrowings	69,321	40,415
	77,368	53,825
<b>Creditors falling due more than one year</b>		
Bank borrowings	-	-
Finance lease liabilities	4,133	12,180
Other borrowings	3,556,314	3,405,011
Capitalised issue costs	(273,849)	(372,502)
	3,286,598	3,044,689

*Terms and debt repayment schedule*

	Nominal interest rate	Year of maturity	Principal 2018 £	Accrued Interest 2018 £	2018 £	2017 £
YFM Loan	5%	2022	2,700,000	164,219	2,864,219	2,729,527
Lunamar (Group) Limited & David Cox	5%	2022	250,000	68,684	318,684	306,184
Growth Capital Loan	5%	2022	300,000	23,055	323,055	312,263
Asset Finance Loans	7%	2022	117,194	22,372	139,566	97,452
			3,367,194	278,330	3,645,524	3,445,426

## Notes (continued)

### 16 Interest-bearing loans and borrowings (continued)

#### YFM Loan

The Company holds secured loan notes of £2,700,000. There are unamortised costs relating to the loan of £273,849 at 30 September 2018. Interest has been accruing on these loans up to 30 September 2018 at a rate of 5%. Repayment is in full at the end of the loan term (July 2022).

#### Growth Capital Loan

The company holds an agreement with Santander to provide financing through a Growth Capital Loan. Interest accrues at 5% and is repayable in 2022. The loan issue incurred unamortised issue costs of £20,000. These costs have been spread over the life of the loan term.

#### Asset Finance Loans

The company holds a number of asset finance agreement with Santander to finance the purchase of assets. Each agreement has a repayment term of 48 months with fixed repayments.

#### Lunamar (Group) Limited & David Cox

The Company holds secured loan notes of £250,000 from existing shareholders. Interest has been accruing at a rate of 5% and is repayable from 2022.

### 17 Auditor's report

The auditor's report on these financial statements was unqualified and there were no matters to which the auditor drew attention by way of emphasis. The auditor's report was signed on 5 April 2019 by Nathan Chrimes (senior statutory auditor) for and on behalf of KPMG LLP, Statutory Auditor, 66 Queen Square, Bristol, BS1 4BE



**Notes** *(continued)*

**18 Related parties**

Identity of related parties with which the Company has transacted

	<b>Sales to</b>		<b>Expenses incurred from</b>	
	<b>2018</b>	2017	<b>2018</b>	2017
	£	£	£	£
Wholly owned subsidiaries (1)	<b>1,996</b>	-	<b>32,846</b>	25,833
Lunamar (Group) Limited (2)	-	-	<b>12,750</b>	14,144
Mr D Cox (3)	-	-	<b>6,250</b>	8,144
Capa Consulting Ltd (4)	-	-	<b>6,069</b>	6,080
YFM (5)	-	-	<b>166,368</b>	45,466
Other related parties (6), (7)	-	-	<b>15,525</b>	34,722
	<b>1,996</b>	-	<b>239,808</b>	134,389

	<b>Receivables outstanding</b>		<b>Creditors outstanding</b>	
	<b>2018</b>	2017	<b>2018</b>	2017
	£	£	£	£
Wholly owned subsidiaries (1)	<b>14,277</b>	11,882	<b>2,395</b>	-
Lunamar (Group) Limited (2)	-	-	<b>159,942</b>	153,633
Mr D Cox (3)	-	-	<b>159,342</b>	153,633
Capa Consulting Ltd (4)	-	-	<b>612</b>	600
YFM (5)	-	-	<b>2,864,219</b>	2,729,527
Other related parties (6), (7)	-	-	-	360
	<b>14,277</b>	11,882	<b>3,186,510</b>	3,037,753

## Notes (continued)

### 18 Related parties (continued)

#### (1) Topper Systems

Topper Systems Limited provided services to Friska Limited during the year for a total cost of £32,846 (2017: £25,833). The Company was controlled through share ownership by Friska Limited.

At the Balance Sheet date, the amount due from Topper Systems Limited was £14,277 (2017: £11,882).

#### (2) Lunamar (Group) Limited

Interest of £6,250 (2017: £8,144) was charged to Friska Limited in relation to the loan provided by Lunamar (Group) Limited. Monitoring fees of £6,500 were also paid by Friska Limited to Lunamar (Group) Limited during the year. At the Balance Sheet date, the amount due to Lunamar (Group) Limited was £159,942 (2017: £153,633).

#### (3) Mr D Cox

Interest of £6,250 (2017: £8,144) was charged to Friska Limited in relation to a loan provided by Mr D Cox. At the Balance Sheet date, the amount due to Mr D Cox was £159,342 (2017: £153,633).

#### (4) Capa Consulting Limited (a company controlled by Mr D Cox)

Monitoring fees of £6,069 (2017: £6,080) were paid by Friska Limited to Capa Consulting Ltd during the year. At the Balance Sheet date, the amount due to Capa Consulting Ltd was £612 (2017: £600).

#### (5) YFM

Monitoring fees of £30,242 (2017: £6,613) and travel expenses of £1,126 (2017: £nil) were charged to Friska by YFM Private Equity Limited during the year. Investment Funds which are managed by YFM Private Equity Limited have invested in Friska Limited through a mix of shareholdings and loans. The loans outstanding at the Balance Sheet date amounted to £2,864,219 (2017: £2,729,527). The Interest charged on the loans amounted to £135,000 (2017: £38,853).

#### (6) Paneltech Industries Limited

During the year capital items were purchased from Paneltech Industries Limited at a cost of £8,917 (2017: £32,162). A director of Paneltech Industries Limited is an immediate family member to Edward Brown. At the Balance Sheet date the amount owing to Paneltech Industries Limited was £nil (2017: £nil).

#### (7) RJB PM Limited

During the year professional fees were charged to Friska Limited by RJB PM Limited of £6,608 (2017 £2,560). A director of RJB PM Limited is an immediate family member to Edward Brown. At the Balance Sheet date the amount owing to RJB PM Limited was £nil (2017: £360)

### 19 Ultimate controlling party

The ultimate controlling parties of the Company are considered to be Mr E Brown and Mr G Holland by virtue of their majority shareholdings.