



Plummer Parsons
Chartered Accountants

MENKIND RETAIL LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2015

Company Registration No. 06861802 (England and Wales)

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Chartered Accountants
& Statutory Auditor

MENKIND RETAIL LIMITED

COMPANY INFORMATION

Directors	Mr P R Kraftman Mr G Wakeman Mr M L Talbot
Company number	06861802
Registered office	18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Auditors	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Business address	The Atrium Curtis Road Dorking Surrey RH4 1XA

MENKIND RETAIL LIMITED

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MENKIND RETAIL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2015

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

Review of the business

The key financial highlights for the year are as follows:

	2015 £	2014 £	2013 £
Turnover	16,113,956	13,304,257	11,447,933
Turnover growth	21%	16%	728%
Gross profit margin	9%	7%	6%
Profit before tax	1,804,271	685,806	889,469

The results for the year and the financial position at the year end were considered satisfactory by the directors with continued growth expected for the future.

The company is subject to general business and economic risks in the same way as similar businesses within the sector.

The company's principal financial instruments comprise bank balances, trade creditors and loans. The main purpose of these instruments is to raise funds for the company's operations. The company's approach to managing the risks applicable to the financial instruments concerned are as follows:

In respect to bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest should it be considered necessary.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due and to ensure loan repayments are met on time.

The company had a sufficiently strong balance sheet at the year end with sufficient cash reserves to meet forthcoming requirements.

On behalf of the board



Mr P R Kraftman

Director

21 December 2015

MENKIND RETAIL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2015

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

Principal activities

The principal activity of the company continued to be that of the stock management for the Menkind Group of Companies.

Results and dividends

The results for the year are set out on page 6.

An interim ordinary dividend was paid amounting to £100,000. The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 April 2014:

Mr P R Kraftman
Mr G Wakeman
Mr M L Talbot

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

The auditors, Plummer Parsons, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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.

Strategic Report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Directors' Report. It has done so in respect of future developments and financial instruments.

MENKIND RETAIL LIMITED

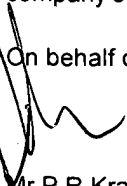
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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 auditors are aware of that information.

On behalf of the board



Mr P R Kraftman

Director

21 December 2015

MENKIND RETAIL LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MENKIND RETAIL LIMITED

We have audited the financial statements of Menkind Retail Limited for the year ended 31 March 2015 set out on pages 6 to 14. 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 an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company 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 Directors' Responsibilities Statement set out on pages 2 - 3, 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 Annual Report 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 31 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MENKIND RETAIL LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF MENKIND RETAIL 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.

Steven Griffen ACA FCCA (Senior Statutory Auditor)
for and on behalf of Plummer Parsons

23 DECEMBER 2015

Chartered Accountants
Statutory Auditor

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

MENKIND RETAIL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 £	2014 £
Turnover	2	16,113,956	13,304,257
Cost of sales		(14,726,872)	(12,316,443)
Gross profit		1,387,084	987,814
Distribution costs		(1,222,091)	(850,328)
Administrative expenses		(1,623,524)	(1,219,012)
Other operating income		3,266,000	1,790,100
Operating profit	3	1,807,469	708,574
Interest payable and similar charges	4	(3,198)	(22,768)
Profit on ordinary activities before taxation		1,804,271	685,806
Tax on profit on ordinary activities	5	(339,500)	(57,500)
Profit for the year	14	1,464,771	628,306

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

There are no recognised gains and losses other than those passing through the profit and loss account.

MENKIND RETAIL LIMITED

BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	7		41,023		39,768
Current assets					
Stocks	8	3,710,718		2,357,754	
Debtors	9	6,379,250		2,574,422	
		10,089,968		4,932,176	
Creditors: amounts falling due within one year	10	(7,259,740)		(3,356,353)	
Net current assets			2,830,228		1,575,823
Total assets less current liabilities			2,871,251		1,615,591
Creditors: amounts falling due after more than one year	11		(50,107)		(159,218)
			2,821,144		1,456,373
Capital and reserves					
Called up share capital	13		1		1
Profit and loss account	14		2,821,143		1,456,372
Shareholders' funds	15		2,821,144		1,456,373

Approved by the Board and authorised for issue on 21 December 2015


Mr P R Kraftman
Director

Company Registration No. 06861802

MENKIND RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover is accounted for on an accruals basis, based upon when the right of ownership of goods pass to the recipient or date services are performed.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33% Straight Line
Fixtures, fittings & equipment	15%, 20% or 33% Straight Line

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

MENKIND RETAIL LIMITED

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

3	Operating profit	2015	2014
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	32,868	26,824
	Operating lease rentals		
	- Plant and machinery	24,639	39,071
	- Other assets	58,826	59,628
	Auditors' remuneration (including expenses and benefits in kind)	24,000	24,489
	and after crediting:		
	Profit on foreign exchange transactions	(104,182)	(16,152)
		<u> </u>	<u> </u>
4	Interest payable	2015	2014
		£	£
	On bank loans and overdrafts	3,198	22,768
		<u> </u>	<u> </u>
5	Taxation	2015	2014
		£	£
	Domestic current year tax		
	U.K. corporation tax	339,500	57,500
		<u> </u>	<u> </u>
	Total current tax	339,500	57,500
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	1,804,271	685,806
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2014 - 23.00%)	378,897	157,735
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	3,355	3,147
	Depreciation add back	6,902	6,170
	Capital allowances	(8,727)	(5,698)
	Group relief	(40,927)	(103,854)
		<u> </u>	<u> </u>
		(39,397)	(100,235)
		<u> </u>	<u> </u>
	Current tax charge for the year	339,500	57,500
		<u> </u>	<u> </u>

MENKIND RETAIL LIMITED

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

6	Dividends	2015 £	2014 £
	Ordinary final dividend 2014	100,000	-

7	Tangible fixed assets	Plant and machinery £	Fixtures, fittings & equipment £	Total £
	Cost			
	At 1 April 2014	87,774	11,398	99,172
	Additions	30,448	3,675	34,123
	At 31 March 2015	118,222	15,073	133,295
	Depreciation			
	At 1 April 2014	54,157	5,247	59,404
	Charge for the year	30,595	2,273	32,868
	At 31 March 2015	84,752	7,520	92,272
	Net book value			
	At 31 March 2015	33,470	7,553	41,023
	At 31 March 2014	33,617	6,151	39,768

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £
Net book values	
At 31 March 2015	4,720
At 31 March 2014	5,900
Depreciation charge for the year	
At 31 March 2015	1,180
At 31 March 2014	1,180

MENKIND RETAIL LIMITED

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

8	Stocks	2015 £	2014 £
	Finished goods and goods for resale	3,710,718	2,357,754
9	Debtors	2015 £	2014 £
	Amounts owed by parent and fellow subsidiary undertakings	5,978,187	2,243,880
	Other debtors	236,520	199,356
	Prepayments and accrued income	164,543	131,186
		6,379,250	2,574,422
10	Creditors: amounts falling due within one year	2015 £	2014 £
	Bank loans and overdrafts	932,404	1,121,694
	Net obligations under finance leases	2,437	2,803
	Trade creditors	1,327,580	1,115,298
	Amounts owed to parent and fellow subsidiary undertakings	4,431,176	899,568
	Corporation tax	339,500	57,500
	Other creditors	93,904	82,084
	Accruals and deferred income	132,739	77,406
		7,259,740	3,356,353

The company's bank loan and overdraft above are secured against the assets of the company.

A cross-company guarantee is also given by all other companies in the group. As a consequence Menkind Retail Limited also gives a guarantee against the borrowings of all other companies in the group.

MENKIND RETAIL LIMITED

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

11	Creditors: amounts falling due after more than one year	2015 £	2014 £
	Bank loans	50,107	157,500
	Net obligations under finance leases	-	1,718
		<u>50,107</u>	<u>159,218</u>
	Analysis of loans		
	Wholly repayable within five years	155,107	262,500
		<u>155,107</u>	<u>262,500</u>
	Included in current liabilities	(105,000)	(105,000)
		<u>50,107</u>	<u>157,500</u>
	Loan maturity analysis		
	In more than one year but not more than two years	50,107	105,000
	In more than two years but not more than five years	-	52,500
		<u>50,107</u>	<u>105,000</u>
	The company's bank loan above is secured against the assets of the company.		
	Net obligations under finance leases		
	Repayable within one year	2,750	3,116
	Repayable between one and five years	-	2,266
		<u>2,750</u>	<u>5,382</u>
	Finance charges and interest allocated to future accounting periods	(313)	(861)
		<u>2,437</u>	<u>4,521</u>
	Included in liabilities falling due within one year	(2,437)	(2,803)
		<u>-</u>	<u>1,718</u>

MENKIND RETAIL LIMITED

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

12 Retirement Benefits

Defined contribution scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2015 £	2014 £
Contributions payable by the company for the year	57	8,892

13 Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	1	1

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 April 2014	1,456,372
Profit for the year	1,464,771
Dividends paid	(100,000)
Balance at 31 March 2015	2,821,143

15 Reconciliation of movements in Shareholders' funds

	2015 £	2014 £
Profit for the financial year	1,464,771	628,306
Dividends	(100,000)	-
Net addition to shareholders' funds	1,364,771	628,306
Opening Shareholders' funds	1,456,373	828,067
Closing Shareholders' funds	2,821,144	1,456,373

MENKIND RETAIL LIMITED

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

16	Directors' remuneration	2015	2014
		£	£
	Remuneration for qualifying services	-	47,217
		<u> </u>	<u> </u>

17 **Employees**

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015	2014
	Number	Number
Management and administration	16	14
	<u> </u>	<u> </u>

Employment costs

	2015	2014
	£	£
Wages and salaries	895,108	645,318
Social security costs	53,789	42,386
Other pension costs	57	8,892
	<u> </u>	<u> </u>
	<u>948,954</u>	<u>696,596</u>

18 **Control**

The parent and ultimate parent undertaking is Menkind Group Limited, a company registered in England & Wales. The ultimate controlling party is considered to be the director P Kraftman.

19 **Related party relationships and transactions**

Other transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.