

Company Registration No. 01923313 (England and Wales)

JOEDAN MANUFACTURING (UK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016



JOEDAN MANUFACTURING (UK) LIMITED

COMPANY INFORMATION

Directors	N J Purcaro J D A Purcaro J A Purcaro
Secretary	J D A Purcaro
Company number	01923313
Registered office	Athenia House 10-14 Andover Road Winchester Hampshire SO23 7BS
Auditor	Wilkins Kennedy LLP Athenia House 10-14 Andover Road Winchester Hampshire SO23 7BS
Business address	Unit 3 Northway Gate Ashchurch Tewkesbury GL20 8JP

JOEDAN MANUFACTURING (UK) LIMITED

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JOEDAN MANUFACTURING (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report for the year ended 31 December 2016.

Fair review of the business

We are pleased to present the report and accounts of Joedan Manufacturing (UK) Limited for the year ended 31 December 2016. It has been a challenging year with pressure on margins and stable overheads but the company continues to perform satisfactorily.

Looking forward to 2017, we are continuing to be selective with our choice of customers and expect our turnover and profit to increase.

As ever, we are grateful for the continued support of our employees, clients, suppliers and business partners.

Key performance indicators

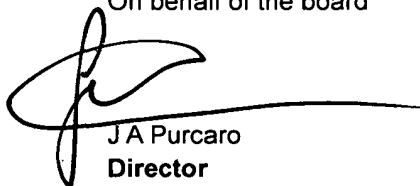
The company had no financial instruments at the balance sheet date other than cash and financial instruments such as debtors and creditors that arise from its operations.

The company is exposed to a variety of financial risks which result from its operating activities. The board is responsible for coordinating the company's risk management and focuses on securing the company's short to medium term cash flows.

The company does not actively engage in the trading of financial assets and has no financial derivatives.

The company seeks to manage risks to ensure sufficient liquidity is available to meet its foreseeable needs. Regular contact is maintained with the company's bankers to ensure that sufficient funding is available for the company's needs if required.

On behalf of the board



J A Purcaro

Director

25 May 2017

JOEDAN MANUFACTURING (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities

The principal activity of the company continued to be that of the design, manufacture and sale of double glazed doors, windows and conservatories.

Directors

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

N J Purcaro
J D A Purcaro
J A Purcaro

Results and dividends

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

Ordinary dividends were paid amounting to £500,000. The directors do not recommend payment of a further dividend.

Auditor

Wilkins Kennedy LLP were appointed auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

JOEDAN MANUFACTURING (UK) LIMITED

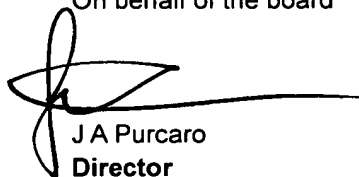
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Statement of disclosure to auditor

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

On behalf of the board

A handwritten signature in black ink, consisting of a stylized 'J' and 'P' followed by a horizontal line.

J A Purcaro

Director

25 May 2017

JOEDAN MANUFACTURING (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JOEDAN MANUFACTURING (UK) LIMITED

We have audited the financial statements of Joedan Manufacturing (UK) Limited for the year ended 31 December 2016 set out on pages 6 to 23. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company 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 auditor

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 December 2016 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 matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

JOEDAN MANUFACTURING (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF JOEDAN MANUFACTURING (UK) LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.

Wilkins Kennedy LLP

Ian Talbot (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP

25 May 2017

Chartered Accountants
Statutory Auditor

Athenia House
10-14 Andover Road
Winchester
Hampshire
SO23 7BS

JOEDAN MANUFACTURING (UK) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Turnover	3	12,775,288	13,107,370
Cost of sales		(8,560,683)	(8,680,271)
Gross profit		4,214,605	4,427,099
Administrative expenses		(4,068,459)	(4,000,040)
Other operating income		94,713	12,503
Operating profit	4	240,859	439,562
Interest payable and similar expenses	6	(35,792)	(13,979)
Profit before taxation		205,067	425,583
Taxation	7	(59,665)	(113,659)
Profit for the financial year		145,402	311,924

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

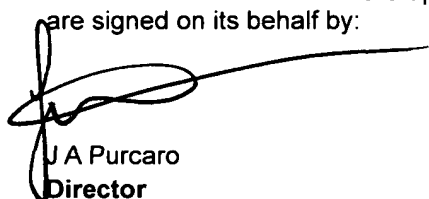
JOEDAN MANUFACTURING (UK) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Intangible assets	9	-		32,639	
Tangible assets	10	1,171,886		953,640	
		<u>1,171,886</u>		<u>986,279</u>	
Current assets					
Stocks	12	424,175		561,784	
Debtors	13	2,311,125		1,967,683	
Cash at bank and in hand		-		782,333	
		<u>2,735,300</u>		<u>3,311,800</u>	
Creditors: amounts falling due within one year	14	(3,105,872)		(3,056,009)	
Net current (liabilities)/assets		<u>(370,572)</u>		<u>255,791</u>	
Total assets less current liabilities		<u>801,314</u>		<u>1,242,070</u>	
Creditors: amounts falling due after more than one year	15	(11,816)		(111,334)	
Provisions for liabilities	18	(105,809)		(92,449)	
Net assets		<u>683,689</u>		<u>1,038,287</u>	
Capital and reserves					
Called up share capital	21	10,100		10,100	
Share premium account		246		246	
Profit and loss reserves		673,343		1,027,941	
Total equity		<u>683,689</u>		<u>1,038,287</u>	

The financial statements were approved by the board of directors and authorised for issue on 25 May 2017 and are signed on its behalf by:


J A Purcaro
Director

Company Registration No. 01923313

JOEDAN MANUFACTURING (UK) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2015		10,100	246	1,026,017	1,036,363
Year ended 31 December 2015:					
Profit and total comprehensive income for the year		-	-	311,924	311,924
Dividends	8	-	-	(310,000)	(310,000)
Balance at 31 December 2015		10,100	246	1,027,941	1,038,287
Year ended 31 December 2016:					
Profit and total comprehensive income for the year		-	-	145,402	145,402
Dividends	8	-	-	(500,000)	(500,000)
Balance at 31 December 2016		10,100	246	673,343	683,689

JOEDAN MANUFACTURING (UK) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	24	585,373		976,248	
Interest paid		(35,792)		(13,979)	
Income taxes paid		(123,159)		(76,496)	
Net cash inflow from operating activities		426,422		885,773	
Investing activities					
Purchase of tangible fixed assets		(526,772)		(352,222)	
Proceeds on disposal of tangible fixed assets		21,309		15,508	
Net cash used in investing activities		(505,463)		(336,714)	
Financing activities					
Pension Scheme loan		(215,458)		41,185	
Payment of finance leases obligations		(924)		-	
Dividends paid		(500,000)		(310,000)	
Net cash used in financing activities		(716,382)		(268,815)	
Net (decrease)/increase in cash and cash equivalents		(795,423)		280,244	
Cash and cash equivalents at beginning of year		782,333		502,089	
Cash and cash equivalents at end of year		(13,090)		782,333	
Relating to:					
Cash at bank and in hand		-		782,333	
Bank overdrafts included in creditors payable within one year		(13,090)		-	

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Joedan Manufacturing (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Athenia House, 10-14 Andover Road, Winchester, Hampshire, SO23 7BS.

1.1 Accounting convention

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

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Turnover

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

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs of that contract.

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.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation 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:

Development costs	25% straight line
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1.5 Tangible fixed assets

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

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

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:

Showroom	15% and 25% straight line
Office refurbishments	5% straight line
Plant and machinery	15% reducing balance, 25% straight line
Office equipment & computers	33.33% straight line
Motor vehicles	25% reducing balance

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

1.6 Impairment of fixed assets

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

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

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

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

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.

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

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.9 Financial instruments

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

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

Basic financial assets

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

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, 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.

Derecognition of financial liabilities

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

1.10 Equity instruments

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

1.11 Taxation

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

Current tax

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

Deferred tax

Deferred taxation is provided 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.

1.12 Employee benefits

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

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

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

1.13 Retirement benefits

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

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.14 Leases

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

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

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

1.15 Foreign exchange

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

2 Judgements and key sources of estimation uncertainty

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

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

The main areas of accounting estimates are:

- Long term contracts, performance of contracts at year end
- Stock provision
- Recoverability of trade debtors

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2016 £	2015 £
Turnover		
Design, manufacture and sale of windows and doors	12,775,288	13,107,370

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

4 Operating profit

	2016	2015
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	18,624	10,661
Fees payable to the company's auditor for the audit of the company's financial statements	9,500	9,250
Depreciation of owned tangible fixed assets	302,853	272,647
Depreciation of tangible fixed assets held under finance leases	776	-
Loss on disposal of tangible fixed assets	2,203	3,593
Amortisation of intangible assets	32,639	47,213
Cost of stocks recognised as an expense	4,567,113	4,882,962
Operating lease charges	13,739	7,412
	<u> </u>	<u> </u>

5 Employees

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

	2016	2015
	Number	Number
Directors	3	3
Administration	39	39
Production/Distribution	84	82
	<u> </u>	<u> </u>
	126	124
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	2,850,324	2,866,603
Social security costs	272,201	271,915
Pension costs	25,663	18,321
	<u> </u>	<u> </u>
	3,148,188	3,156,839
	<u> </u>	<u> </u>

All directors remuneration was paid from the holding company during this year and the previous year.

6 Interest payable and similar expenses

	2016	2015
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	35,792	13,979
	<u> </u>	<u> </u>

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

7 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	60,041	136,895
Adjustments in respect of prior periods	(13,736)	-
Total current tax	<u>46,305</u>	<u>136,895</u>
Deferred tax		
Origination and reversal of timing differences	<u>13,360</u>	<u>(23,236)</u>
Total tax charge	<u>59,665</u>	<u>113,659</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	<u>205,067</u>	<u>425,583</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.25%)	41,013	86,181
Tax effect of expenses that are not deductible in determining taxable profit	5,048	12,245
Adjustments in respect of prior years	(13,736)	-
Depreciation in excess of permanent capital allowances	13,980	24,842
Tax at marginal rate	-	(87)
Other differences	-	13,714
Deferred tax adjustment	<u>13,360</u>	<u>(23,236)</u>
Taxation charge for the year	<u>59,665</u>	<u>113,659</u>

8 Dividends

	2016 £	2015 £
Final paid	<u>500,000</u>	<u>310,000</u>

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Intangible fixed assets

	Goodwill	Development costs	Total
	£	£	£
Cost			
At 1 January 2016 and 31 December 2016	10,500	456,091	466,591
Amortisation and impairment			
At 1 January 2016	10,500	423,452	433,952
Amortisation charged for the year	-	32,639	32,639
At 31 December 2016	10,500	456,091	466,591
Carrying amount			
At 31 December 2016	-	-	-
At 31 December 2015	-	32,639	32,639

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Tangible fixed assets

	Showroom	Office refurbishment	Plant and machinery	Office Motor vehicles equipment & computers		Total
	£	£	£	£	£	£
Cost						
At 1 January 2016	351,252	203,388	945,067	568,902	839,299	2,907,908
Additions	114,146	-	283,897	5,744	141,600	545,387
Disposals	-	-	(3,789)	-	(104,816)	(108,605)
At 31 December 2016	465,398	203,388	1,225,175	574,646	876,083	3,344,690
Depreciation and impairment						
At 1 January 2016	172,052	134,578	680,457	475,612	491,569	1,954,268
Depreciation charged in the year	87,145	10,200	66,626	32,630	107,028	303,629
Eliminated in respect of disposals	-	-	-	-	(85,093)	(85,093)
At 31 December 2016	259,197	144,778	747,083	508,242	513,504	2,172,804
Carrying amount						
At 31 December 2016	206,201	58,610	478,092	66,404	362,579	1,171,886
At 31 December 2015	179,200	68,810	264,610	93,290	347,730	953,640

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

10 Tangible fixed assets

(Continued)

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

	2016 £	2015 £
Motor vehicles	17,839	-

11 Financial instruments

	2016 £	2015 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,264,673	1,921,190
Carrying amount of financial liabilities		
Measured at amortised cost	2,817,480	2,743,071

12 Stocks

	2016 £	2015 £
Raw materials and consumables	229,512	459,840
Work in progress	194,663	101,944
	424,175	561,784

13 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	2,264,673	1,921,190
Prepayments and accrued income	46,452	46,493
	2,311,125	1,967,683

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

14 Creditors: amounts falling due within one year

	Notes	2016 £	2014 as restated £
Loans and overdrafts	16	13,090	104,124
Obligations under finance leases	17	5,875	-
Payments received on account		871,507	878,285
Trade creditors		1,463,578	1,105,080
Amount due to parent undertaking		50,000	3,609
Amounts due to subsidiary undertakings		75,000	75,000
Corporation tax		60,041	136,895
Other taxation and social security		240,167	287,377
Other creditors		219,504	131,845
Accruals and deferred income		107,110	333,794
		<u>3,105,872</u>	<u>3,056,009</u>

15 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Obligations under finance leases	17	11,816	-
Other borrowings	16	-	111,334
		<u>11,816</u>	<u>111,334</u>

16 Loans and overdrafts

	2016 £	2015 £
Bank overdrafts	13,090	-
Other loans	-	215,458
	<u>13,090</u>	<u>215,458</u>
Payable within one year	13,090	104,124
Payable after one year	-	111,334
	<u></u>	<u></u>

The long-term loans are secured by fixed charges over the assets for which the finance was provided.

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

17 Finance lease obligations

	2016 £	2015 £
Future minimum lease payments due under finance leases:		
Within one year	6,592	-
In two to five years	12,085	-
	<u>18,677</u>	<u>-</u>
Less: future finance charges	(986)	-
	<u>17,691</u>	<u>-</u>

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

18 Provisions for liabilities

	Notes	2016 £	2015 £
Deferred tax liabilities	19	105,809	92,449
		<u>105,809</u>	<u>92,449</u>

19 Deferred taxation

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

	Liabilities 2016 £	Liabilities 2015 £
Balances:		
Accelerated capital allowances	<u>105,809</u>	<u>92,449</u>
Movements in the year:		2016 £
Liability at 1 January 2016		92,449
Charge to profit or loss		13,360
Liability at 31 December 2016		<u>105,809</u>

The deferred tax liability set out above is expected to reverse in future periods and relates to accelerated capital allowances.

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

20 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	25,663	18,321

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

21 Share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid		
10,100 Ordinary shares of £1 each	10,100	10,100

22 Operating lease commitments

Lessee

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

	2016 £	2015 £
Within one year	1,230	7,380
Between two and five years	-	1,230
	1,230	8,610

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are not also directors, is as follows.

	2016 £	2015 £
Aggregate compensation	237,871	234,588

Transactions with related parties

JOEDAN MANUFACTURING (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

23 Related party transactions

(Continued)

The company has taken advantage of the exemption in FRS102 section 33 from the requirement to disclose transactions with wholly owned group companies.

At the year end the company owed Groomberry Limited £89,226 (2015: £160,607) a related party by virtue of John Purcaro being a director in both companies.

At the year end, there was a loan balance due to the Trustees of Joedan Manufacturing Pension Plan of £Nil (2015: £215,458). The pension fund is a related party by virtue of John Purcaro being a trustee. Interest paid to the pension scheme in the year totalled £35,792 (2015: £13,979).

24 Cash generated from operations

	2016 £	2015 £
Profit for the year after tax	145,402	311,924
Adjustments for:		
Taxation charged	59,665	113,659
Finance costs	35,792	13,979
Loss on disposal of tangible fixed assets	2,203	3,593
Amortisation and impairment of intangible assets	32,639	47,213
Depreciation and impairment of tangible fixed assets	303,629	272,647
Movements in working capital:		
Decrease/(increase) in stocks	137,609	(31,774)
(Increase)/decrease in debtors	(343,442)	39,235
Increase in creditors	211,876	205,772
Cash generated from operations	585,373	976,248