

COMPANY REGISTRATION NUMBER 2149608

**151 PRODUCTS LIMITED**  
**ABBREVIATED ACCOUNTS**  
**31 DECEMBER 2011**



**TLP AUDIT LIMITED**  
*Chartered Accountants & Statutory Auditor*  
3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**151 PRODUCTS LIMITED**  
**ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

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**151 PRODUCTS LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31 DECEMBER 2011**

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2011

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company continues to be that of wholesaling branded domestic products

The company has traded well, and as expected throughout the year Turnover has increased by £4.9m in 2011 with gross profit margins remaining very similar at 27-28%. The directors have monitored the distribution and administration costs to ensure the company remains profitable.

The risk and uncertainty in the market is the effect on the global credit crunch. The directors feel that the company is in a strong position to build on this year's success and continue to trade well post recession.

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £459,770. The directors have not recommended a dividend.

**FINANCIAL INSTRUMENTS**

Details of the company's financial risk management objectives and policies are included in note 14 to the accounts.

**DIRECTORS**

The directors who served the company during the year were as follows:

Mr R Shonn  
Mr S M Shonn  
Mr J S Shonn  
Mr D Shonn  
Mr I P George

Mr R Shonn, Mr S M Shonn, Mr J S Shonn, Mr D Shonn and Mr I P George are directors of the company's parent, Eurostation Limited.

**DIRECTORS' RESPONSIBILITIES**

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 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 those 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,

**151 PRODUCTS LIMITED**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31 DECEMBER 2011**

- 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**DONATIONS**

During the year the company made the following contributions

	2011	2010
	£	£
Charitable	<u>11,351</u>	<u>7,572</u>

**AUDITOR**

TLP Audit Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office  
Emperor House  
151 Great Ducie Street  
Manchester  
Greater Manchester  
M3 1FB

Signed by order of the directors



MR S M SHONN  
Company Secretary

Approved by the directors on 15 August 2012

# **151 PRODUCTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO 151 PRODUCTS LIMITED**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes, together with the financial statements of 151 Products Limited for the year ended 31 December 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

#### **BASIS OF OPINION**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### **OPINION**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

15 August 2012

PAUL LAND ACA (Senior Statutory  
Auditor)  
For and on behalf of  
TLP AUDIT LIMITED  
Chartered Accountants  
& Statutory Auditor

**151 PRODUCTS LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
<b>TURNOVER</b>		<b>28,950,587</b>	<b>24,093,147</b>
Cost of Sales and Other operating income		<b>21,520,331</b>	<b>17,484,052</b>
Distribution costs		<b>3,027,883</b>	<b>2,885,653</b>
Administrative expenses		<b>3,581,856</b>	<b>2,972,909</b>
<b>OPERATING PROFIT</b>	<b>2</b>	<b>820,517</b>	<b>750,533</b>
Interest receivable and similar income		<b>2</b>	<b>1</b>
Interest payable and similar charges	<b>5</b>	<b>(175,539)</b>	<b>(138,665)</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>644,980</b>	<b>611,869</b>
Tax on profit on ordinary activities	<b>6</b>	<b>185,210</b>	<b>181,072</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>459,770</b>	<b>430,797</b>
Balance brought forward		<b>3,625,713</b>	<b>3,194,916</b>
Balance carried forward		<b>4,085,483</b>	<b>3,625,713</b>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the  
year as set out above

The notes on pages 7 to 18 form part of these abbreviated accounts.

**151 PRODUCTS LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**31 DECEMBER 2011**

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Tangible assets	7	<u>3,227,052</u>	<u>3,258,601</u>
<b>CURRENT ASSETS</b>			
Stocks	8	5,390,457	4,862,325
Debtors	9	5,237,656	4,073,176
Cash at bank and in hand		<u>159,389</u>	<u>290,955</u>
		<u>10,787,502</u>	<u>9,226,456</u>
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>6,500,470</u>	<u>5,398,135</u>
<b>NET CURRENT ASSETS</b>		<u>4,287,032</u>	<u>3,828,321</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>7,514,084</u>	<u>7,086,922</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	11	<u>3,232,240</u>	<u>3,302,700</u>
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	13	<u>195,361</u>	<u>157,509</u>
		<u>4,086,483</u>	<u>3,626,713</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	18	1,000	1,000
Profit and loss account		<u>4,085,483</u>	<u>3,625,713</u>
<b>SHAREHOLDERS' FUNDS</b>	19	<u>4,086,483</u>	<u>3,626,713</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under section 445(3) of the Companies Act 2006

These abbreviated accounts were approved by the directors and authorised for issue on 15 August 2012, and are signed on their behalf by

  
MR S M SHONN

  
MR I P GEORGE

Company Registration Number 2149608

The notes on pages 7 to 18 form part of these abbreviated accounts

**151 PRODUCTS LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 DECEMBER 2011**

	Note	2011 £	2010 £
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>20</b>	<b>(231,273)</b>	<b>(310,646)</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>20</b>	<b>(175,537)</b>	<b>(138,664)</b>
<b>TAXATION</b>	<b>20</b>	<b>(128,397)</b>	<b>(23,349)</b>
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>	<b>20</b>	<b>(171,679)</b>	<b>(281,299)</b>
<b>CASH OUTFLOW BEFORE FINANCING</b>		<b>(706,886)</b>	<b>(753,958)</b>
<b>FINANCING</b>	<b>20</b>	<b>554,097</b>	<b>230,812</b>
<b>DECREASE IN CASH</b>	<b>20</b>	<b>(152,789)</b>	<b>(523,146)</b>

The notes on pages 7 to 18 form part of these abbreviated accounts



# 151 PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of financial instruments

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

#### **Fixed assets**

All fixed assets are initially recorded at cost

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	- 2% on cost
Plant & Machinery	- 33% on cost
Fixtures & Fittings	- 33% on cost
Motor Vehicles	- 25% on cost
Equipment	- 33% on cost

#### **Stocks**

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

#### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

**1. ACCOUNTING POLICIES** *(continued)*

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**Financial instruments**

**Investments**

All investments are initially recorded at cost, being the fair value of the consideration given and including acquisition costs associated with the investment. All purchases and sales of investments are recognised using trade date accounting.

**Trade and other debtors**

Trade and other debtors are recognised and carried forward at invoiced amounts less provisions for any doubtful debts. Bad debts are written off when identified.

**Cash and cash equivalents**

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

**Interest-bearing loans and borrowings**

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received, net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest method. Gains or losses are recognised in the profit and loss account when liabilities are derecognised or impaired, as well as through the amortisation process.

**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

**1. ACCOUNTING POLICIES** *(continued)*

**Employer-financed retirement benefit scheme (efrbs)**

The company has established trusts for the benefit of employees and persons connected with them. Monies held in these trusts are held by independent trustees and managed at their discretion. The trustees are empowered to provide both retirement and other employee benefits.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and are payable after completion of the employment, such monies are charged to the profit and loss account in the period during which services are rendered by employees.

**2. OPERATING PROFIT**

Operating profit is stated after charging

	<b>2011</b>	2010
	<b>£</b>	<b>£</b>
Depreciation of owned fixed assets	<b>163,161</b>	60,855
Depreciation of assets held under hire purchase agreements	<b>40,067</b>	19,917
Auditor's remuneration		
- as auditor	<b>8,500</b>	8,500
- for other services	<b>8,751</b>	6,500
Operating lease costs		
- Other	<b><u>54,875</u></b>	<b><u>(26,180)</u></b>

**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

**3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to

	<b>2011</b>	<b>2010</b>
	<b>No</b>	<b>No</b>
Number of production staff	<b>42</b>	<b>33</b>
Number of administrative staff	<b>38</b>	<b>38</b>
	<b><u>80</u></b>	<b><u>71</u></b>

The aggregate payroll costs of the above were

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>2,458,891</b>	<b>2,058,448</b>
Social security costs	<b>261,762</b>	<b>158,854</b>
Other pension costs	<b>65,420</b>	<b>64,683</b>
	<b><u>2,786,073</u></b>	<b><u>2,281,985</u></b>

**4. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration receivable	<b>341,969</b>	<b>467,579</b>
Value of company pension contributions to money purchase schemes	<b>64,220</b>	<b>63,483</b>
	<b><u>406,189</u></b>	<b><u>531,062</u></b>

**Remuneration of highest paid director:**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Total remuneration (excluding pension contributions)	<b>153,954</b>	<b>108,510</b>
Value of company pension contributions to money purchase schemes	<b>13,000</b>	<b>13,000</b>
	<b><u>166,954</u></b>	<b><u>121,510</u></b>

The number of directors who accrued benefits under company pension schemes was as follows

	<b>2011</b>	<b>2010</b>
	<b>No</b>	<b>No</b>
Money purchase schemes	<b><u>2</u></b>	<b><u>2</u></b>

**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2011 £	2010 £
Interest payable on bank borrowing	85,227	49,125
Finance charges	7,200	7,200
Other similar charges payable	83,112	82,340
	<u>175,539</u>	<u>138,665</u>

**6. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of charge in the year**

	2011 £	2010 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 26% (2010 - 28%)	147,358	129,231
Over/under provision in prior year	-	(3,200)
Total current tax	<u>147,358</u>	<u>126,031</u>
Deferred tax		
Origination and reversal of timing differences (note 13)		
Capital allowances	37,852	55,041
Tax on profit on ordinary activities	<u>185,210</u>	<u>181,072</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 26% (2010 - 28%)

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>644,980</u>	<u>611,869</u>
Profit on ordinary activities by rate of tax	167,695	171,323
Tax disallowables	39,682	17,700
Excess capital allowances	(49,103)	(55,041)
Marginal relief	(13,918)	(4,751)
Over provision in prior period	-	(3,200)
Rate difference	3,002	-
Total current tax (note 6(a))	<u>147,358</u>	<u>126,031</u>

# 151 PRODUCTS LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2011

### 7. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Equipment £	Total £
<b>COST</b>						
At 1 Jan 2011	2,995,498	170,100	171,475	2,300	6,499	3,345,872
Additions	—	—	162,729	—	8,950	171,679
Disposals	—	—	—	—	(6,499)	(6,499)
<b>At 31 Dec 2011</b>	<b>2,995,498</b>	<b>170,100</b>	<b>334,204</b>	<b>2,300</b>	<b>8,950</b>	<b>3,511,052</b>
<b>DEPRECIATION</b>						
At 1 Jan 2011	59,910	19,920	942	—	6,499	87,271
Charge for the year	59,910	58,400	81,913	767	2,238	203,228
On disposals	—	—	—	—	(6,499)	(6,499)
<b>At 31 Dec 2011</b>	<b>119,820</b>	<b>78,320</b>	<b>82,855</b>	<b>767</b>	<b>2,238</b>	<b>284,000</b>
<b>NET BOOK VALUE</b>						
<b>At 31 Dec 2011</b>	<b>2,875,678</b>	<b>91,780</b>	<b>251,349</b>	<b>1,533</b>	<b>6,712</b>	<b>3,227,052</b>
At 31 Dec 2010	2,935,588	150,180	170,533	2,300	—	3,258,601

#### Hire purchase agreements

Included within the net book value of £3,227,052 is £60,213 (2010 - £100,283) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £40,067 (2010 - £19,917).

### 8. STOCKS

	2011 £	2010 £
Stock	<u>5,390,457</u>	<u>4,862,325</u>

### 9. DEBTORS

	2011 £	2010 £
Trade debtors	4,497,797	3,914,107
Other debtors	558,484	—
Prepayments and accrued income	181,375	159,069
	<u>5,237,656</u>	<u>4,073,176</u>

**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

**10. CREDITORS: Amounts falling due within one year**

	2011	2010
	£	£
Bank loans and overdrafts	2,802,348	2,156,568
Trade creditors	1,689,792	1,777,126
Amounts owed to group undertakings	256,518	1,344
Other creditors including taxation and social security		
Corporation tax	147,357	128,396
PAYE and social security	79,808	74,319
VAT	345,211	317,309
Hire purchase agreements	22,791	22,791
Other creditors	2,983	19,798
Directors current accounts	16,079	22,150
	<u>614,229</u>	<u>584,763</u>
Accruals and deferred income	1,137,583	878,334
	<u>6,500,470</u>	<u>5,398,135</u>

The company enters into short term "import loan" agreements with the bank, whereby the funds borrowed are secured on the stock purchased

The bank overdraft is secured by a debenture in favour of HSBC Bank plc, by way of a fixed and floating charge over the assets and undertakings of the business

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2011	2010
	£	£
Bank loans and overdrafts	2,802,348	2,156,568
Hire purchase agreements	22,791	22,791
	<u>2,825,139</u>	<u>2,179,359</u>

**11. CREDITORS: Amounts falling due after more than one year**

	2011	2010
	£	£
Bank loans and overdrafts	3,173,129	3,222,835
Other creditors		
Hire purchase agreements	59,111	79,865
	<u>3,232,240</u>	<u>3,302,700</u>

**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

**11. CREDITORS: Amounts falling due after more than one year** *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2011 £	2010 £
Bank loans and overdrafts	3,173,129	3,222,835
Hire purchase agreements	<u>59,111</u>	<u>79,865</u>
	<u>3,232,240</u>	<u>3,302,700</u>

**12. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows

	2011 £	2010 £
Amounts payable within 1 year	22,791	22,791
Amounts payable between 1 and 2 years	<u>59,111</u>	<u>79,865</u>
	<u>81,902</u>	<u>102,656</u>

**13. DEFERRED TAXATION**

The movement in the deferred taxation provision during the year was

	2011 £	2010 £
Provision brought forward	157,509	102,468
Profit and loss account movement arising during the year	<u>37,852</u>	<u>55,041</u>
Provision carried forward	<u>195,361</u>	<u>157,509</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2011 £	2010 £
Excess of taxation allowances over depreciation on fixed assets	<u>195,361</u>	<u>157,509</u>
	<u>195,361</u>	<u>157,509</u>



**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

**14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company holds or issues financial instruments in order to achieve three main objectives, being

- (a) to finance its operations,
- (b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance, and
- (c) for trading purposes

In addition, various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the company's operations

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below

***Credit risk***

The company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk

The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments

**15. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as set out below

	2011		2010	
	Land and buildings	Other Items	Land and buildings	Other Items
	£	£	£	£
Operating leases which expire				
Within 2 to 5 years	<u>47,500</u>	<u>114,000</u>	<u>47,500</u>	<u>114,000</u>

**16. CONTINGENCIES**

The company has given an unlimited cross company guarantee in favour of Shonn Brothers (Manchester) Limited to HSBC Bank plc, for all overdrawn balances. Also at 31 December 2011 the company has given a guarantee in favour of HM Revenue and Customs for £30,000 (2010 £30,000)

**17. TRANSACTIONS WITH THE DIRECTORS**

During the year the directors received the following advances

Date	Amount of Advance
July	£7640

The above advances were fully repaid prior to the year end

**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

**18. SHARE CAPITAL**

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

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

	2011	2010
	£	£
Profit for the financial year	459,770	430,797
Opening shareholders' funds	<u>3,626,713</u>	<u>3,195,916</u>
Closing shareholders' funds	<u>4,086,483</u>	<u>3,626,713</u>

**20. NOTES TO THE CASH FLOW STATEMENT**

**RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	2011	2010
	£	£
Operating profit	820,517	750,533
Depreciation	203,228	80,772
Increase in stocks	(528,132)	(519,757)
Increase in debtors	(1,164,480)	(460,791)
Increase/(decrease) in creditors	<u>437,594</u>	<u>(161,403)</u>
Net cash outflow from operating activities	<u>(231,273)</u>	<u>(310,646)</u>

**RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

	2011	2010
	£	£
Interest received	2	1
Interest paid	(168,339)	(131,465)
Interest element of hire purchase	<u>(7,200)</u>	<u>(7,200)</u>
Net cash outflow from returns on investments and servicing of finance	<u>(175,537)</u>	<u>(138,664)</u>

**TAXATION**

	2011	2010
	£	£
Taxation	<u>(128,397)</u>	<u>(23,349)</u>

**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
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**20. NOTES TO THE CASH FLOW STATEMENT** *(continued)*

**CAPITAL EXPENDITURE**

	2011 £	2010 £
Payments to acquire tangible fixed assets	(171,679)	(281,299)
Net cash outflow from capital expenditure	<u>(171,679)</u>	<u>(281,299)</u>

**FINANCING**

	2011 £	2010 £
Increase in bank loans	574,851	187,906
Capital element of hire purchase	(20,754)	42,906
Net cash inflow from financing	<u>554,097</u>	<u>230,812</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2011 £	2010 £
Decrease in cash in the period	(152,789)	(523,146)
Net cash (inflow) from bank loans	(574,851)	(187,906)
Cash outflow in respect of hire purchase	<u>20,754</u>	<u>(42,906)</u>
	<u>(706,886)</u>	<u>(753,958)</u>
Change in net debt	<u>(706,886)</u>	<u>(753,958)</u>
Net debt at 1 January 2011	<u>(5,191,104)</u>	<u>(4,437,146)</u>
Net debt at 31 December 2011	<u>(5,897,990)</u>	<u>(5,191,104)</u>

**151 PRODUCTS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2011**

**20. NOTES TO THE CASH FLOW STATEMENT** *(continued)*

**ANALYSIS OF CHANGES IN NET DEBT**

	At 1 Jan 2011 £	Cash flows £	At 31 Dec 2011 £
Net cash			
Cash in hand and at bank	290,955	(131,566)	159,389
Overdrafts	<u>(1,535,973)</u>	<u>(21,223)</u>	<u>(1,557,196)</u>
	<u>(1,245,018)</u>	<u>(152,789)</u>	<u>(1,397,807)</u>
Debt			
Debt due within 1 year	(620,595)	(624,557)	(1,245,152)
Debt due after 1 year	(3,222,835)	49,706	(3,173,129)
Hire purchase agreements	<u>(102,656)</u>	<u>20,754</u>	<u>(81,902)</u>
	<u>(3,946,086)</u>	<u>(554,097)</u>	<u>(4,500,183)</u>
Net debt	<u>(5,191,104)</u>	<u>(706,886)</u>	<u>(5,897,990)</u>

**21. ULTIMATE PARENT COMPANY**

The ultimate parent company is Eurostation Limited, company number 4307712. The company is registered in England and Wales and copies of its financial statements are available from Companies House.