

COMPANY REGISTRATION NUMBER: 2149608

**151 Products Limited**  
**Financial Statements**  
**31 December 2016**

WEDNESDAY



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COMPANIES HOUSE

**TLP CONSULTING LIMITED**  
Chartered accountant & statutory auditor  
3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

**151 Products Limited**  
**Financial Statements**  
**Year ended 31 December 2016**

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# **151 Products Limited**

## **Strategic Report**

### **Year ended 31 December 2016**

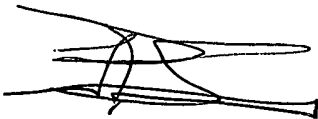
The principal activity of the company continues to be that of wholesaling branded domestic products.

The company has traded well throughout the year. Turnover has increased by £2.3m in 2016 however the gross profit margin has decreased to 24% from 27% for the previous year. The directors have monitored the distribution and administration costs to ensure the company remains profitable.

The company has a strong balance sheet with £9.2m in reserves at the year end. The company will see future growth and sustain the profitability achieved in past years.

The risk and uncertainty in the market is still present, but the directors feel that the company is in a strong position to build on this year's success and continue to trade well in future years.

This report was approved by the board of directors on 16 June 2017 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'I P George', written over a horizontal line.

Mr I P George  
Director

Registered office:  
The Old School House  
39 Bengal Street  
Manchester  
M4 6AF

# **151 Products Limited**

## **Directors' Report**

### **Year ended 31 December 2016**

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

#### **Directors**

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

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

(Resigned 25 November 2016)

#### **Dividends**

Particulars of recommended dividends are detailed in note 12 to the financial statements.

#### **Financial instruments**

The company has a simple capital structure and its principal asset is stock and debtors.

The company's objective when managing capital are to safeguard its ability to continue as a going concern in order to provide optimal return for shareholders and to maintain an efficient capital structure to reduce the cost of capital.

In order to maintain or realign the capital structure, the company may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The company's financial instruments comprise borrowings, cash and liquid resources and various other items, such as debtors and creditors that arise directly from its operations. The main purposes of these are to finance the company's operations.

The principal financial risks faced by the company are liquidity/funding, interest rate, foreign currency and credit risks.

The liquidity/funding risk are managed by the company by a mix of various types of funding from HSBC offering the flexibility and cost effectiveness to match the company's requirements.

The interest and foreign currency risk is in relation to the sterling, US dollar and euro accounts and are managed by the company by entering into forward contracts, structured options and import loans at favourable rates.

The company monitors credit risk closely and considers that its current policy 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.

#### **Directors' responsibilities statement**

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

# 151 Products Limited

## Directors' Report *(continued)*

### Year ended 31 December 2016

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 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 judgments 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.

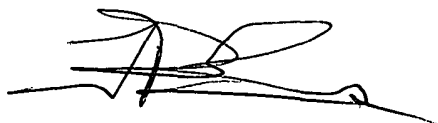
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

#### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 16 June 2017 and signed on behalf of the board by:



Mr I P George  
Director

Registered office:  
The Old School House  
39 Bengal Street  
Manchester  
M4 6AF

# **151 Products Limited**

## **Independent Auditor's Report to the Members of 151 Products Limited**

### **Year ended 31 December 2016**

We have audited the financial statements of 151 Products Limited for the year ended 31 December 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the 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, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' 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 matter prescribed by the Companies Act 2006**

In our opinion 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.

# **151 Products Limited**

## **Independent Auditor's Report to the Members of 151 Products Limited** *(continued)*

### **Year ended 31 December 2016**

#### **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.

ANDREW WILD FCA (Senior Statutory Auditor)

For and on behalf of  
TLP Consulting Limited  
Chartered accountant & statutory auditor  
3 Greengate  
Cardale Park  
Harrogate  
HG3 1GY

16 June 2017

**151 Products Limited**  
**Statement of Comprehensive Income**  
**Year ended 31 December 2016**

	Note	2016 £	2015 £
<b>Turnover</b>	<b>5</b>	<b>38,540,332</b>	36,234,789
Cost of sales		<u>(29,302,190)</u>	<u>(26,406,278)</u>
<b>Gross profit</b>		<b>9,238,142</b>	9,828,511
Distribution costs		<u>(2,985,984)</u>	<u>(3,221,112)</u>
Administrative expenses		<u>(5,008,382)</u>	<u>(4,652,830)</u>
<b>Operating profit</b>	<b>6</b>	<b>1,243,776</b>	1,954,569
Other interest receivable and similar income	<b>9</b>	(15)	582
Interest payable and similar expenses	<b>10</b>	<u>(124,204)</u>	<u>(120,456)</u>
<b>Profit before taxation</b>		<b>1,119,557</b>	1,834,695
Tax on profit	<b>11</b>	<u>(176,303)</u>	<u>(384,207)</u>
<b>Profit for the financial year and total comprehensive income</b>		<u><b>943,254</b></u>	<u>1,450,488</u>

All the activities of the company are from continuing operations.

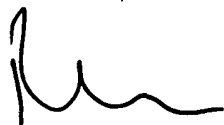
The notes on pages 10 to 21 form part of these financial statements.



**151 Products Limited**  
**Statement of Financial Position**  
**31 December 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	13	3,150,892	3,345,470
<b>Current assets</b>			
Stocks	14	4,602,143	5,094,428
Debtors	15	8,691,410	8,855,627
Cash at bank and in hand		861,085	253,206
		<u>14,154,638</u>	<u>14,203,261</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(5,800,956)</u>	<u>(6,647,403)</u>
<b>Net current assets</b>		<u>8,353,682</u>	<u>7,555,858</u>
<b>Total assets less current liabilities</b>		<b>11,504,574</b>	<b>10,901,328</b>
<b>Creditors: amounts falling due after more than one year</b>	18	<b>(2,207,039)</b>	<b>(2,269,302)</b>
<b>Provisions</b>			
Taxation including deferred tax	20	<u>(114,312)</u>	<u>(204,857)</u>
<b>Net assets</b>		<u><b>9,183,223</b></u>	<u><b>8,427,169</b></u>
<b>Capital and reserves</b>			
Called up share capital	23	1,000	1,000
Profit and loss account	24	<u>9,182,223</u>	<u>8,426,169</u>
<b>Members funds</b>		<u><b>9,183,223</b></u>	<u><b>8,427,169</b></u>

These financial statements were approved by the board of directors and authorised for issue on 16 June 2017, and are signed on behalf of the board by:



Mr R Shonn  
Director



Mr I P George  
Director

Company registration number: 2149608

The notes on pages 10 to 21 form part of these financial statements.

**151 Products Limited**  
**Statement of Changes in Equity**  
**Year ended 31 December 2016**

		Called up share capital £	Profit and loss account £	<b>Total £</b>
<b>At 1 January 2015</b>		1,000	7,847,681	7,848,681
Profit for the year			1,450,488	1,450,488
<b>Total comprehensive income for the year</b>		–	1,450,488	1,450,488
Dividends paid and payable	12	–	(872,000)	(872,000)
<b>Total investments by and distributions to owners</b>		–	(872,000)	(872,000)
<b>At 31 December 2015</b>		1,000	8,426,169	<b>8,427,169</b>
Profit for the year			943,254	<b>943,254</b>
<b>Total comprehensive income for the year</b>		–	943,254	<b>943,254</b>
Dividends paid and payable	12	–	(187,200)	<b>(187,200)</b>
<b>Total investments by and distributions to owners</b>		–	(187,200)	<b>(187,200)</b>
<b>At 31 December 2016</b>		<u>1,000</u>	<u>9,182,223</u>	<u><b>9,183,223</b></u>

The notes on pages 10 to 21 form part of these financial statements.

**151 Products Limited**  
**Statement of Cash Flows**  
**Year ended 31 December 2016**

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Profit for the financial year		943,254	1,450,488
<i>Adjustments for:</i>			
Depreciation of tangible assets		239,658	198,559
Other interest receivable and similar income		15	(582)
Interest payable and similar expenses		124,204	120,456
Tax on profit		176,303	384,207
Accrued (income)/expenses		(162,999)	95,213
<i>Changes in:</i>			
Stocks		492,285	194,699
Trade and other debtors		164,217	(906,903)
Trade and other creditors		(31,663)	(416,848)
Cash generated from operations		1,945,274	1,119,289
Interest paid		(124,204)	(120,456)
Interest received		(15)	582
Tax paid		(534,334)	(165,865)
Net cash from operating activities		<u>1,286,721</u>	<u>833,550</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible assets		(45,080)	(166,387)
Purchase of futures contracts, forward contracts, option contracts and swap contracts		–	87,631
Net cash used in investing activities		<u>(45,080)</u>	<u>(78,756)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		554,029	(518,977)
Proceeds from loans from group undertakings		(52,400)	593,522
Payments of finance lease liabilities		(60,817)	123,540
Dividends paid		(187,200)	(872,000)
Net cash from/(used in) financing activities		<u>253,612</u>	<u>(673,915)</u>
<b>Net increase in cash and cash equivalents</b>		<b>1,495,253</b>	<b>80,879</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>(1,349,036)</b>	<b>(1,429,915)</b>
<b>Cash and cash equivalents at end of year</b>	<b>16</b>	<u><b>146,217</b></u>	<u><b>(1,349,036)</b></u>

The notes on pages 10 to 21 form part of these financial statements.

**151 Products Limited**  
**Notes to the Financial Statements**  
**Year ended 31 December 2016**

**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Old School House, 39 Bengal Street, Manchester, M4 6AF.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**3. Company information**

151 Products Limited is a Limited Company incorporated in England & Wales. The Company's principal activity and registered office can be found within the Strategic Report which can be found on page 1 of these financial statements.

**4. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Revenue recognition**

Turnover comprises the invoiced cost of goods sold during the year, excluding value added tax and net of trade discounts.

The company's policy is to recognise a sale when substantively all the risks and rewards in connection with the goods have been passed to the buyer.

**Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

# 151 Products Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2016

#### 4. Accounting policies *(continued)*

##### Income tax *(continued)*

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

##### Depreciation

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

Freehold Property	- 2% straight line
Plant and machinery	- 20%/33% Straight Line
Fixtures and fittings	- 33% straight line
Equipment	- 33% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

# **151 Products Limited**

## **Notes to the Financial Statements** *(continued)*

### **Year ended 31 December 2016**

#### **4. Accounting policies** *(continued)*

##### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

##### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

# 151 Products Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 4. Accounting policies *(continued)*

#### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 5. Turnover

Turnover arises from:

	2016 £	2015 £
Sale of goods	<u>38,540,332</u>	<u>36,234,789</u>

# 151 Products Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 5. Turnover *(continued)*

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2016 £	2015 £
United Kingdom	35,307,256	33,186,748
Overseas	3,233,076	3,048,041
	<u>38,540,332</u>	<u>36,234,789</u>

### 6. Operating profit

Operating profit or loss is stated after charging:

	2016 £	2015 £
Depreciation of tangible assets	239,658	198,559
Impairment of trade debtors	4,000	29,910
Operating lease rentals	122,418	122,310
Fees payable for the audit of the financial statements	<u>10,000</u>	<u>15,500</u>

### 7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016 No.	2015 No.
Production staff	56	53
Administrative staff	54	51
	<u>110</u>	<u>104</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016 £	2015 £
Wages and salaries	3,423,533	3,057,537
Social security costs	335,152	318,807
Other pension costs	157,614	160,856
	<u>3,916,299</u>	<u>3,537,200</u>

### 8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2016 £	2015 £
Remuneration	407,331	467,697
Company contributions to defined contribution pension plans	85,328	77,827
	<u>492,659</u>	<u>545,524</u>



# 151 Products Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 8. Directors' remuneration *(continued)*

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

	2016 No.	2015 No.
Defined contribution plans	<u>5</u>	<u>5</u>

Remuneration of the highest paid director in respect of qualifying services:

	2016 £	2015 £
Aggregate remuneration	159,000	158,000
Company contributions to defined contribution pension plans	<u>12,000</u>	<u>12,000</u>
	<u>171,000</u>	<u>170,000</u>

### 9. Other interest receivable and similar income

	2016 £	2015 £
Interest on cash and cash equivalents	<u>(15)</u>	<u>582</u>

### 10. Interest payable and similar expenses

	2016 £	2015 £
Interest on banks loans and overdrafts	54,456	45,147
Interest on obligations under finance leases and hire purchase contracts	11,200	12,800
Interest payable - on taxation	3,323	—
Other interest payable and similar charges	<u>55,225</u>	<u>62,509</u>
	<u>124,204</u>	<u>120,456</u>

### 11. Tax on profit

#### Major components of tax expense

	2016 £	2015 £
<b>Current tax:</b>		
UK current tax expense	261,481	388,354
Adjustments in respect of prior periods	<u>5,367</u>	<u>—</u>
Total current tax	<u>266,848</u>	<u>388,354</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	<u>(90,545)</u>	<u>(4,147)</u>
<b>Tax on profit</b>	<u>176,303</u>	<u>384,207</u>

# 151 Products Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 11. Tax on profit *(continued)*

#### Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016 £	2015 £
Profit on ordinary activities before taxation	<u>1,119,557</u>	<u>1,834,695</u>
Profit on ordinary activities by rate of tax	<b>223,911</b>	366,898
Adjustment to tax charge in respect of prior periods	<b>5,367</b>	–
Effect of expenses not deductible for tax purposes	<b>37,570</b>	16,942
Effect of capital allowances and depreciation	–	(474)
Effect of different UK tax rates on some earnings	–	4,988
Origination and reversal of timing differences	<b>(90,545)</b>	<b>(4,147)</b>
Tax on profit	<u><b>176,303</b></u>	<u>384,207</u>

### 12. Dividends

	2016 £	2015 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u><b>187,200</b></u>	<u>872,000</u>

### 13. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>					
At 1 January 2016	3,100,000	482,482	524,420	77,204	<b>4,184,106</b>
Additions	–	21,520	4,915	18,645	<b>45,080</b>
<b>At 31 December 2016</b>	<u>3,100,000</u>	<u>504,002</u>	<u>529,335</u>	<u>95,849</u>	<u><b>4,229,186</b></u>
<b>Depreciation</b>					
At 1 January 2016	119,820	280,354	389,043	49,419	<b>838,636</b>
Charge for the year	59,910	96,955	56,744	26,049	<b>239,658</b>
<b>At 31 December 2016</b>	<u>179,730</u>	<u>377,309</u>	<u>445,787</u>	<u>75,468</u>	<u><b>1,078,294</b></u>
<b>Carrying amount</b>					
<b>At 31 December 2016</b>	<u>2,920,270</u>	<u>126,693</u>	<u>83,548</u>	<u>20,381</u>	<u><b>3,150,892</b></u>
At 31 December 2015	<u>2,980,180</u>	<u>202,128</u>	<u>135,377</u>	<u>27,785</u>	<u>3,345,470</u>

# 151 Products Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 13. Tangible assets *(continued)*

#### Tangible assets held at valuation

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Freehold property £
<b>At 31 December 2016</b>	
Aggregate cost	2,576,128
Aggregate depreciation	—
<b>Carrying value</b>	<b>2,576,128</b>
At 31 December 2015	
Aggregate cost	2,636,038
Aggregate depreciation	—
Carrying value	2,636,038

#### Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery £
<b>At 31 December 2016</b>	<b>107,401</b>
At 31 December 2015	195,451

### 14. Stocks

	2016 £	2015 £
Raw materials and consumables	<u>4,602,143</u>	<u>5,094,428</u>

# 151 Products Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 15. Debtors

	2016 £	2015 £
Trade debtors	6,220,661	6,347,545
Amounts owed by group undertakings	200,177	–
Prepayments and accrued income	246,879	167,788
Directors loan account	–	745
Derivative financial assets	301,363	178,032
Other debtors	1,722,330	2,161,517
	<u>8,691,410</u>	<u>8,855,627</u>

### 16. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2016 £	2015 £
Cash at bank and in hand	861,085	253,206
Bank overdrafts	(714,868)	(1,602,242)
	<u>146,217</u>	<u>(1,349,036)</u>

The balance of £714,868 (2015: £1,602,242) relates specifically to an invoice discount financing arrangement on trade sales.

### 17. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	1,469,104	1,801,003
Trade creditors	1,675,439	1,861,346
Amounts owed to group undertakings	541,122	593,522
Accruals and deferred income	1,294,798	1,457,797
Corporation tax	111,475	378,961
Social security and other taxes	618,288	453,858
Obligations under finance leases and hire purchase contracts	60,817	60,817
Other creditors	29,913	40,099
	<u>5,800,956</u>	<u>6,647,403</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.

# 151 Products Limited

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2016

#### 18. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	2,100,639	2,102,085
Obligations under finance leases and hire purchase contracts	106,400	167,217
	<u>2,207,039</u>	<u>2,269,302</u>

Included within creditors: amounts falling due after more than one year is an amount of £1,388,663 (2015: £1,526,956) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

#### 19. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2016 £	2015 £
Not later than 1 year	60,817	60,817
Later than 1 year and not later than 5 years	106,400	167,217
	<u>167,217</u>	<u>228,034</u>

#### 20. Provisions

	Deferred tax (note 21) £
At 1 January 2016	204,857
Unused amounts reversed	(90,545)
<b>At 31 December 2016</b>	<u><b>114,312</b></u>

#### 21. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016 £	2015 £
Included in provisions (note 20)	<u>114,312</u>	<u>204,857</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016 £	2015 £
Accelerated capital allowances	<u>114,312</u>	<u>204,857</u>

#### 22. Employee benefits

##### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £157,614 (2015: £160,856).

# 151 Products Limited

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

### 23. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

### 24. Reserves

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

Profit and loss account - This reserve records retained earnings and accumulated losses.

### 25. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	90,000	90,000
Later than 1 year and not later than 5 years	360,000	360,000
Later than 5 years	—	90,000
	<u>450,000</u>	<u>540,000</u>

### 26. Contingencies

The company has given an unlimited cross company guarantee in favour of a related company, Shonn Brothers (Manchester) Limited to HSBC Bank plc, for all overdrawn balances.

A composite company multilateral guarantee dated 3rd December 2015 is also now held by HSBC Bank Plc.

Also the company has given a guarantee in favour of HM Revenue and Customs for £130,000 (2015: £130,000).

### 27. Directors' advances, credits and guarantees

The directors loan account remained in credit throughout the current year. There were no guarantees in the year.

# **151 Products Limited**

## **Notes to the Financial Statements** *(continued)*

### **Year ended 31 December 2016**

#### **28. Related party transactions**

Purchases from related parties during the year amounted to £nil (2015: £15,963).

Sales from related parties during the year amounted £nil (2015: £Nil).

Amounts due from related parties at the year end are £200,177.

Amounts owed to related parties at the year end are £541,122.

All intercompany loans repayable on demand.

The company has an unlimited cross company guarantee with with a related party dated 21st November 2002.

#### **29. Controlling party**

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.