

CeDo Household Products Limited

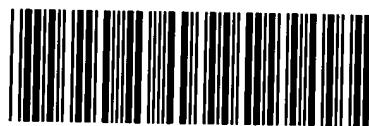
Report and Financial Statements

Year Ended

31 December 2015

Company Number 02595181

THURSDAY



A5FJX089

A07

15/09/2016

#134

COMPANIES HOUSE

CeDo Household Products Limited
Strategic Report
for the year ended 31 December 2015

Contents

Page:

2	Strategic report
3	Director's report
5	Independent auditor's report
7	Income statement
8	Statement of comprehensive income
9	Balance sheet
10	Statement of changes in equity
11	Notes forming part of the financial statements

Directors

Andrzej Ostrowski

Registered office

Halesfield 11, Telford, Shropshire, TF7 4LZ

Company number

02595181

Auditors

BDO LLP, Two Snowhill, Birmingham, B4 6GA

CeDo Household Products Limited

Strategic Report

for the year ended 31 December 2015

Financial review

The company remains a holding company. The trading activities of the UK subsidiary continued to be satisfactory and it was sold to the parent company on 15th December 2015. Closure of the Chinese subsidiary continues.

The Company's interest in its investments is closely managed by the UK head office

Going concern

The company meets its day to day working capital requirements through intercompany financing arrangements. The director expects that the UK parent company will continue to provide funding as required to support operations for at least 12 months from the date of signing this report.

On this basis the director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Principal risks and uncertainties facing the Company

The Company's subsidiary holds balances in a variety of currencies. This can lead to exchange rate risks which are mitigated by currency hedging and tight inter-company payment policies.

Risk management activities

(i) Policies and processes for managing company capital

Working capital is tightly managed through a combination of day to day controls and weekly and monthly treasury monitoring and reporting.

(ii) Financial instruments and hedging activities

- Where possible, foreign currency positions are reduced by natural hedging; material residual exposures are hedged.
- Where possible, intercompany balances are settled promptly to avoid any undue currency exposure.

Approval

29

This strategic report was approved on _____ April 2016.



Andrzej Ostrowski
Director

CeDo Household Products Limited
Report of the Director
for the year ended 31 December 2015

The Director presents his report together with the audited financial statements for the year ended 31 December 2015.

Results and dividends

The profit/(loss) for the year after taxation amounted to £6.0m (2014 – (£5.5m)). An ordinary dividend of £5,881,487 was received from its subsidiary Cedo Limited during the year and an ordinary dividend of £5,881,487 was paid to its holding company Deco Acquisitions Limited during the year. No further ordinary dividends have been proposed by the directors.

Directors

The directors who served during the year were as follows:

David James Pearce	Resigned 19 February 2016
James McComasky	Resigned 29 April 2015
Andrzej Ostrowski	Appointed 23 February 2015

Directors' indemnities

All directors are entitled to be indemnified by the Company against all liabilities incurred by them in the actual or purported exercise of their powers or otherwise in connection with their duties, powers or office, except in the case of criminal and similar proceedings. The company has taken out insurance against Directors and Officers liabilities.

Auditors

The current director has taken all the steps that he ought to have taken to make himself aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The director is not aware of any relevant audit information of which the auditors are unaware.

BOO LLP has expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

CeDo Household Products Limited
Report of the Director
for the year ended 31 December 2015

Statement of director's responsibilities

The director is responsible for preparing the strategic report, the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

On behalf of the Board



Andrzej Ostrowski
Director

CeDo Household Products Limited

Independent auditor's report

To the members of CeDo Household Products Limited

We have audited the financial statements of CeDo Household Products Limited for the year ended 31 December 2015 which comprise the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 auditors

As explained more fully in the statement of director's responsibilities, the director is 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 2015 and of the company's 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 the information given in the strategic report and director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

CeDo Household Products Limited

Independent auditor's report

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Thomas Lawton (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham
United Kingdom

Date *3 May 2016*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CeDo Household Products Limited
Income statement
for the year ended 31 December 2015

	Note	2015 £'000	2014 £'000
Impairment of investment		-	(4,255)
Income from shares in group undertakings		5,881	
		<hr/> 5,881	<hr/> (4,255)
Loss on termination of operation		-	(1,460)
		<hr/>	<hr/>
Operating profit/(loss)	3	5,881	(5,715)
Interest receivable and similar income	5	106	258
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation		5,987	(5,457)
Tax on profit/(loss) on ordinary activities	6	(21)	(53)
		<hr/>	<hr/>
Profit/(loss) on ordinary activities after taxation		<hr/> 5,966	<hr/> (5,510)

All amounts relate to continuing activities.

The notes on pages 11 to 16 form part of these financial statements.

CeDo Household Products Limited
Statement of comprehensive income
for the year ended 31 December 2015

	Note	2015 £'000	2014 £'000
Profit/(loss) for the financial year		5,966	(5,510)
Total comprehensive income for the year		5,966	(5,510)

The notes on pages 11 to 16 form part of these financial statements.

CeDo Household Products Limited
Balance sheet
at 31 December 2015

<i>Company number 02595181</i>	Note	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Fixed assets					
Fixed asset investments	7		-		21,548
Current assets					
Debtors	8	26,621		4,145	
Creditors: amounts falling due within one year	9	<u>1,697</u>		<u>853</u>	
Net current assets			<u>24,924</u>		<u>3,292</u>
Total assets less current liabilities			24,924		24,840
Provisions for liabilities	10		1,460		1,460
			<u>23,464</u>		<u>23,380</u>
Capital and reserves					
Called up share capital	11		6,052		6,052
Share premium account			9,986		9,986
Other reserves			15,043		15,043
Profit and loss account			<u>(7,617)</u>		<u>(7,701)</u>
Shareholders' funds			<u>23,464</u>		<u>23,380</u>

The financial statements were approved by the Director and authorised for issue on 29 April 2016



Andrzej Ostrowski
Director

The notes on pages 11 to 16 form part of these financial statements.

CeDo Household Products Limited
Statement of changes in equity
For the year ended 31 December 2015

	Share capital	Share premium reserve	Other reserves	Profit & loss account	Total
	£'000	£'000	£'000	£'000	£'000
At 1 January 2015	6,052	9,986	15,043	(7,701)	23,380
Total comprehensive income for the year	-	-	-	5,966	5,966
Dividends	-	-	-	(5,881)	(5,881)
Contributions by and distributions to owners	-	-	-	(5,881)	(5,881)
At 31 December 2015	6,052	9,986	15,043	(7,616)	23,465

	Share capital	Share premium reserve	Other reserves	Profit & loss account	Total
	£'000	£'000	£'000	£'000	£'000
At 1 January 2014	6,052	9,986	15,043	(2,191)	28,890
Total comprehensive income for the year	-	-	-	(5,510)	(5,510)
At 31 December 2014	6,052	9,986	15,043	(7,701)	23,380

The purpose of each reserve within equity is as follows:

Share capital is the nominal value of allotted and fully paid up ordinary and preference share capital. This includes called up share capital and deferred share capital.

Share Premium Reserve is the excess amount received over the par value of the share capital.

Other Reserve represents non-distributable reserves arising on items such as revaluations.

Profit and loss account is cumulative net gains and losses recognised in the statement of comprehensive income.

CeDo Household Products Limited
Notes forming part of the financial statements
for the year ended 31 December 2015

1. Accounting policies

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. Information on the impact of first-time adoption of FRS 102 is given in note.

In preparing these financial statements, advantage has been taken of the following disclosure exemptions available under FRS102:

- No cash flow statement has been presented
- The company is a wholly owned subsidiary of CeDo Holdings Limited and has taken advantage of the exemption not to disclose transactions with CeDo Holdings Limited or other wholly owned subsidiaries within the group

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires Company management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

Going concern basis of preparation

Presently the operating cash requirements of the Company are being met through inter-company relationships with Cedo Limited, a fellow subsidiary. The major creditor of the company, its fellow subsidiary Deco Acquisitions Limited has confirmed that it will not require repayment of the short term creditor balance owed to it by the Company, until the Company has sufficient funds to make such repayment. On this basis that balances with fellow subsidiaries will probably not be requested for repayment for at least 12 months following the date of signing this report the director is satisfied that the going concern basis of accounts preparation is appropriate.

Consolidated financial statements

The financial statements contain information about CeDo Household Products Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in consolidated financial statements.

Fixed asset investments

Fixed asset investments are stated at cost. The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Financial liabilities and assets

Financial liabilities and assets are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form

Taxation

Current UK tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted by the balance sheet date.

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 that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exception that 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 difference can be deducted.

CeDo Household Products Limited
Notes forming part of the financial statements
for the year ended 31 December 2015

Deferred tax is measured on a non-discounted 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.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as debt are recognised as expense.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the dates of the transactions. All profits and losses on exchange are dealt with in the profit and loss account.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

No significant accounting estimates or judgements have been applied in preparing these accounts.

3. Operating loss

The auditor's remuneration in 2015 has been borne by Deco Acquisitions Limited, its parent company and 2014 by Cedo Limited, a subsidiary undertaking

4. Director's remuneration

No director received any emoluments during the current year (2014 - £Nil). Directors remuneration is paid from Deco Acquisitions Limited, the company's parent company.

5. Interest receivable and similar income

	2015 £'000	2014 £'000
Loans to group companies	106	252
Loans to facilitate share purchase	-	6
	<hr/> 106	<hr/> 258
	<hr/> <hr/>	<hr/> <hr/>

CeDo Household Products Limited
Notes forming part of the financial statements
for the year ended 31 December 2015

6. Taxation on loss on ordinary activities

a) Tax on profit on ordinary activities

	2015 £'000	2014 £'000
<i>Current tax</i>		
UK corporation tax - current year	21	55
UK corporation tax - prior year	-	(2)
	<hr/>	<hr/>
Total tax charge for the year	21	53
	<hr/> <hr/>	<hr/> <hr/>

b) Factors affecting the tax charge for the year

The tax assessed for the year is different to that of the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2015 £'000	2014 £'000
Profit/(loss) on ordinary activities before tax	5,987	(5,457)
	<hr/>	<hr/>
Loss on ordinary activities at the standard rate of corporation in the UK of 20.25% (2014 – 21.5%)	1,212	(1,173)
Effects of:		
Income not subject to tax	(1,191)	-
Expenses not deductible for tax purposes	-	313
Impairment of investment	-	915
Prior year effects	-	(2)
	<hr/>	<hr/>
Total tax charge for year (note 9a)	21	53
	<hr/> <hr/>	<hr/> <hr/>

c) Tax risks

Tax computations will be submitted to HMRC at a later date, therefore the actual group relief position may vary based on agreements reached with HMRC.

d) Factors that may affect future tax charges

The Chancellor's 2016 budget announced that the UK corporation tax rate will reduce to 19% from 1 April 2017 with a further reduction to 17% from 1 April 2020. This will reduce the company's current tax charge accordingly.

CeDo Household Products Limited
Notes forming part of the financial statements
for the year ended 31 December 2015

7. Fixed asset investments

Investment in subsidiary undertaking:

	2015 £'000	2014 £'000
<i>Cost</i>		
Opening balance	40,315	40,315
Disposals	(36,060)	-
	<hr/> 4,255	<hr/> 40,315
Closing balance	4,255	40,315
	<hr/>	<hr/>
<i>Provisions</i>		
Opening balance	18,767	14,512
Provided for the year	-	4,255
Disposals	(14,512)	-
	<hr/>	<hr/>
Closing balance	4,255	18,767
	<hr/>	<hr/>
Net book value	-	21,548
	<hr/> <hr/>	<hr/> <hr/>

On 15th December 2015 the company sold its subsidiary Cedo Limited to Cedo Holdings Limited

An impairment of £4,255k has been recognised in respect of the company's investment in CeDo (Shanghai) Limited following the termination of the Chinese operation and subsequent sale of its manufacturing facility. The impairment has been based on the director's assessment of the expected recoverable amount upon wind up of the investment.

In the opinion of the directors, the remaining aggregate value of the investment in subsidiary undertakings is not less than the amount at which they are stated in the balance sheet.

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

Subsidiary undertakings

Company	Country of registration	Shareholding	Principal activity
CeDo (Shanghai) Limited	PRC	100%	No longer trading

CeDo Household Products Limited
Notes forming part of the financial statements
for the year ended 31 December 2015

8. Debtors

	2015 £'000	2014 £'000
Amounts due from group undertakings	26,621	4,145
	<u>26,621</u>	<u>4,145</u>

All amounts shown under debtors fall due for payment within one year

The amounts due from group undertakings are unsecured and do not bear interest. Although the amounts due are technically repayable within 12 months of the balance sheet date the director does not expect that any significant repayments will be made in that period.

9. Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Amounts owed to group undertakings	1,676	798
Corporation tax payable	21	55
	<u>1,697</u>	<u>853</u>

Although the amounts owed to group companies are technically due for repayment in less than one year they have provided confirmation that they will not require repayment of the short term creditor balances owed to them by the Company, until the Company has sufficient funds to make such repayment.

10. Provision for liabilities

	2015 £'000	2014 £'000
Closure of China operation	1,460	1,460

A provision of £1,460k has been included to reflect the expected future losses on the sale of the Chinese manufacturing facility and final closure costs and is expected to be utilised by 31 December 2016.

CeDo Household Products Limited
Notes forming part of the financial statements
for the year ended 31 December 2015

11. Share Capital

	2015 Number	2015 £'000	2014 Number	2014 £'000
Ordinary shares of £1 each	6,051,757	6,052	6,051,757	6,052
	<u>6,051,757</u>	<u>6,052</u>	<u>6,051,757</u>	<u>6,052</u>

12. Contingent liabilities

The directors are not aware of any contingent liabilities requiring disclosure.

13. Key management personnel compensation

The Director regards himself as the key management personnel in the company. The remuneration is presented in note 4.

14. Ultimate controlling party

The company is a subsidiary of Deco Acquisitions Limited which is incorporated in the UK. The director regards CeDo Holdings Limited, a company incorporated in the UK, as the ultimate parent company and Straco BVBA (a private investment fund incorporated in Belgium) as the ultimate controlling party.

The largest and smallest group in which the results of the company are consolidated is that headed by CeDo Holdings Limited. The consolidated accounts of this company are available to the public and may be obtained from the Company Secretary, CeDo Holdings Limited, Halesfield 11, Telford, Shropshire, TF7 4LZ. No other group accounts include the results of the company.

15. First time adoption of FRS 102

No restatement of results or balance sheet net assets previously reported under UK GAAP has been necessary upon first time adoption of FRS 102.