

COMPANY REGISTRATION NUMBER: 02769392

Elite Security Products Limited
Financial Statements
30 April 2017

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Registered in England & Wales

Dominique House 1 Church Road Netherton Dudley West Midlands DY2 0LY

Registered as Auditors by the Association of Chartered Certified Accountants

Elite Security Products Limited

Financial Statements

Year ended 30 April 2017

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Elite Security Products Limited

Directors' Report

Year ended 30 April 2017

The directors present their report and the financial statements of the company for the year ended 30 April 2017.

Principal activities

The company's principal activity continues to be that of the distribution of safety and security products to electrical wholesalers. The results for the year are set out on page 5. The directors consider the profit achieved on ordinary activities before taxation to be satisfactory, and are looking for the company to continue in this manner for future years. The company has taken advantage of the exemption available to small and medium sized companies concerning key performance indicators.

Directors

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

Mr G C Mordue

Mr S Taylor

Mr N Baldwin

Mr P R Dawson

(Resigned 28 November 2016)

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 23 to the financial statements.

Directors' responsibilities statement

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 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;
- 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.

Elite Security Products Limited

Directors' Report *(continued)*

Year ended 30 April 2017

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.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 2 January 2018 and signed on behalf of the board by:



Mr G C Mordue
Director



J G Rogers
Company Secretary

Registered office:
Unit 7
Target Park Shawbank Road
Lakeside
Redditch
Worcestershire
B98 8YN

Elite Security Products Limited

Independent Auditor's Report to the Member of Elite Security Products Limited

Year ended 30 April 2017

We have audited the financial statements of Elite Security Products Limited for the year ended 30 April 2017 which comprise the statement of income and retained earnings, statement of financial position, 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 member, 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 member 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 member 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 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 30 April 2017 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Elite Security Products Limited

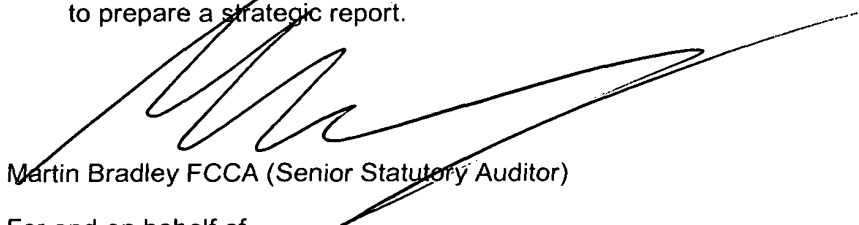
Independent Auditor's Report to the Member of Elite Security Products Limited (continued)

Year ended 30 April 2017

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; and
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Martin Bradley FCCA (Senior Statutory Auditor)

For and on behalf of
GCN (Auditing) Limited
Chartered Certified Accountants & statutory auditor
Dominique House
1 Church Road
Netherton
Dudley
West Midlands
DY2 0LY

2 January 2018

Elite Security Products Limited
Statement of Income and Retained Earnings
Year ended 30 April 2017

	Note	2017 £	2016 £
Turnover	4	5,906,464	5,795,124
Cost of sales		<u>3,781,939</u>	<u>3,595,594</u>
Gross profit		2,124,525	2,199,530
Administrative expenses		<u>1,794,966</u>	<u>1,615,020</u>
Operating profit	5	329,559	584,510
Interest payable and similar expenses	9	<u>8,040</u>	<u>11,230</u>
Profit before taxation		321,519	573,280
Tax on profit	10	<u>71,807</u>	<u>122,396</u>
Profit for the financial year and total comprehensive income		<u>249,712</u>	<u>450,884</u>
Retained earnings at the start of the year		3,519,550	3,068,666
Retained earnings at the end of the year		<u>3,769,262</u>	<u>3,519,550</u>

All the activities of the company are from continuing operations.

The notes on pages 8 to 17 form part of these financial statements.

Elite Security Products Limited

Statement of Financial Position

30 April 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	11	794,162	838,809
Current assets			
Stocks	12	1,533,882	1,315,982
Debtors	13	3,284,838	3,273,712
Cash at bank and in hand		402,668	76,358
		<u>5,221,388</u>	<u>4,666,052</u>
Creditors: amounts falling due within one year	15	<u>1,908,357</u>	<u>1,603,161</u>
Net current assets		3,313,031	3,062,891
Total assets less current liabilities		4,107,193	3,901,700
Creditors: amounts falling due after more than one year	16	<u>336,931</u>	<u>381,150</u>
Net assets		<u>3,770,262</u>	<u>3,520,550</u>
Capital and reserves			
Called up share capital	20	1,000	1,000
Profit and loss account	21	<u>3,769,262</u>	<u>3,519,550</u>
Member funds		<u>3,770,262</u>	<u>3,520,550</u>

These financial statements were approved by the board of directors and authorised for issue on 2 January 2018, and are signed on behalf of the board by:



Mr G C Mordue
Director

Company registration number: 02769392

The notes on pages 8 to 17 form part of these financial statements.

Elite Security Products Limited

Statement of Cash Flows

Year ended 30 April 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Profit for the financial year		249,712	450,884
<i>Adjustments for:</i>			
Depreciation of tangible assets		30,560	40,444
Interest payable and similar expenses		8,040	11,230
Loss on disposal of tangible assets		8,190	–
Tax on profit		71,807	122,396
Accrued (income)/expenses		(59,583)	68,597
<i>Changes in:</i>			
Stocks		(217,900)	448,072
Trade and other debtors		(11,126)	(695,473)
Trade and other creditors		10,547	(260,487)
Cash generated from operations		90,247	185,663
Interest paid		(8,040)	(11,230)
Tax paid		(122,396)	(103,822)
Net cash (used in)/from operating activities		<u>(40,189)</u>	<u>70,611</u>
Cash flows from investing activities			
Purchase of tangible assets		(10,103)	(11,561)
Proceeds from sale of tangible assets		16,000	–
Net cash from/(used in) investing activities		<u>5,897</u>	<u>(11,561)</u>
Cash flows from financing activities			
Proceeds from borrowings		(43,010)	(45,568)
Proceeds from loans from group undertakings		454,024	–
Payments of finance lease liabilities		(6,608)	(15,073)
Net cash from/(used in) financing activities		<u>404,406</u>	<u>(60,641)</u>
Net increase/(decrease) in cash and cash equivalents		370,114	(1,591)
Cash and cash equivalents at beginning of year		32,554	34,145
Cash and cash equivalents at end of year	14	<u>402,668</u>	<u>32,554</u>

The notes on pages 8 to 17 form part of these financial statements.

Elite Security Products Limited

Notes to the Financial Statements

Year ended 30 April 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 7, Target Park Shawbank Road, Lakeside, Redditch, Worcestershire, B98 8YN.

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. 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

Gross factored debts

Gross sales ledger balances are shown on the balance sheet as an asset and proceeds from the factor are shown in creditors as a liability.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Employee benefits

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

Provisions for termination benefits are recognised only when the company is demonstrably committed to terminate the employment of an employee or group of employees before their normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

A provision is made at each balance sheet date for holidays accrued but not taken, to the extent that they may be carried forward, calculated at the salary of the relevant employee at that date.

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.

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

3. Accounting policies *(continued)*

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

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.

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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

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.

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

3. Accounting policies *(continued)*

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:

Leasehold property	- 2% straight line
Fixtures and fittings	- 15% straight line
Motor vehicles	- 25% reducing balance
Computer 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.

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.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Financial instruments

A financial asset or a financial liability is recognised only when the company 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.

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

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, with the exception of hedging instruments in a designated hedging relationship.

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.

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.

4. Turnover

Turnover arises from:

	2017	2016
	£	£
Sale of goods	<u>5,906,464</u>	<u>5,795,124</u>

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

4. 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:

	2017 £	2016 £
United Kingdom	5,555,216	5,439,614
Overseas	351,248	355,510
	<u>5,906,464</u>	<u>5,795,124</u>

5. Operating profit

Operating profit or loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible assets	30,560	40,444
Loss on disposal of tangible assets	8,190	—
Impairment of trade debtors	<u>11,966</u>	<u>11,634</u>

6. Auditor's remuneration

	2017 £	2016 £
Fees payable for the audit of the financial statements	<u>8,040</u>	<u>9,700</u>

7. Staff costs

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

	2017 No.	2016 No.
Production staff	8	6
Administrative staff	12	12
Management staff	5	5
	<u>25</u>	<u>23</u>

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

	2017 £	2016 £
Wages and salaries	968,698	837,867
Social security costs	103,615	96,605
Other pension costs	19,095	12,143
	<u>1,091,408</u>	<u>946,615</u>

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

8. Directors' remuneration

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

	2017	2016
	£	£
Remuneration	211,764	130,610
Company contributions to defined contribution pension plans	9,027	12,143
Compensation for loss of office	40,000	—
	<u>260,791</u>	<u>142,753</u>

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

	2017	2016
	No.	No.
Defined contribution plans	<u>2</u>	<u>1</u>

9. Interest payable and similar expenses

	2017	2016
	£	£
Interest on banks loans and overdrafts	7,829	10,389
Interest on obligations under finance leases and hire purchase contracts	82	756
Other interest payable and similar charges	129	85
	<u>8,040</u>	<u>11,230</u>

10. Tax on profit

Major components of tax expense

	2017	2016
	£	£
Current tax:		
UK current tax expense	71,807	122,396
Tax on profit	<u>71,807</u>	<u>122,396</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 19.92% (2016: 20%).

	2017	2016
	£	£
Profit on ordinary activities before taxation	321,519	573,280
Profit on ordinary activities by rate of tax	64,047	114,656
Effect of expenses not deductible for tax purposes	4,086	4,573
Effect of capital allowances and depreciation	3,682	3,167
Rounding on tax charge	(8)	—
Tax on profit	<u>71,807</u>	<u>122,396</u>

Elite Security Products Limited

Notes to the Financial Statements (continued)

Year ended 30 April 2017

11. Tangible assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 May 2016	899,700	83,003	44,875	98,626	1,126,204
Additions	–	3,333	–	6,770	10,103
Disposals	–	–	(44,875)	–	(44,875)
At 30 April 2017	899,700	86,336	–	105,396	1,091,432
Depreciation					
At 1 May 2016	119,250	57,066	20,685	90,394	287,395
Charge for the year	18,000	5,553	–	7,007	30,560
Disposals	–	–	(20,685)	–	(20,685)
At 30 April 2017	137,250	62,619	–	97,401	297,270
Carrying amount					
At 30 April 2017	762,450	23,717	–	7,995	794,162
At 30 April 2016	780,450	25,937	24,190	8,232	838,809

The directors consider that the difference between net book and market values of leasehold land and building is not significant.

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:

	Motor vehicles £
At 30 April 2017	–
At 30 April 2016	24,190

12. Stocks

	2017 £	2016 £
Finished goods and goods for resale	1,533,882	1,315,982

13. Debtors

	2017 £	2016 £
Trade debtors	1,285,869	1,370,507
Amounts owed by group undertakings	1,898,862	1,848,862
Prepayments and accrued income	47,214	54,343
Other debtors	52,893	–
	3,284,838	3,273,712

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

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

14. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2017	2016
	£	£
Cash at bank and in hand	402,668	76,358
Bank overdrafts	—	(43,804)
	<u>402,668</u>	<u>32,554</u>

15. Creditors: amounts falling due within one year

	2017	2016
	£	£
Bank loans and overdrafts	52,029	94,624
Trade creditors	179,442	395,800
Amounts owed to group undertakings	454,024	—
Accruals and deferred income	126,854	186,437
Corporation tax	71,807	122,396
Social security and other taxes	41,439	77,582
Obligations under finance leases and hire purchase contracts	—	6,608
Other creditors	982,762	719,714
	<u>1,908,357</u>	<u>1,603,161</u>

The bank loan of £52,029 (2016: £50,820) is secured by a first legal charge over the long leasehold property and a floating charge over the other assets of the company. The loan is repayable by October 2024 on monthly repayments and interest is charged at 1.75% over base rate.

Included in other creditors is an invoice discounting arrangement of £982,762 (2016: £719,714) at the year end. This is secured upon the trade debtors of the company.

Hire purchase liabilities of £nil (2016: £6,608) are secured on the assets to which they relate.

16. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	<u>336,931</u>	<u>381,150</u>

The bank loan of £336,931 (2016: £381,150) is secured by a first legal charge over the long leasehold property and a floating charge over the other assets of the company. The loan is repayable by October 2024 on monthly repayments and interest is charged at 1.75% over base rate.

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

17. Finance leases and hire purchase contracts

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

	2017 £	2016 £
Not later than 1 year	<u>-</u>	<u>6,608</u>

18. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £19,095 (2016: £12,143).

19. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2017 £	2016 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>3,587,399</u>	<u>3,295,727</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>179,442</u>	<u>395,800</u>
Loan commitments measured at cost less impairment		
Loan commitments measured at cost less impairment	<u>1,825,746</u>	<u>1,195,488</u>

20. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

21. Reserves

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

22. Operating leases

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

	2017 £	2016 £
Not later than 1 year	<u>10,368</u>	<u>12,501</u>
Later than 1 year and not later than 5 years	<u>108,240</u>	<u>84,290</u>
	<u>118,608</u>	<u>96,791</u>

Elite Security Products Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

22. Operating leases *(continued)*

Total liabilities under operating leases at 30 April 2017 are £118,608 (2016: £96,791).

23. Events after the end of the reporting period

A debenture was lodged in favour of Lloyds Bank plc, supplemental to a previous guarantee on 5 June 2017 over the assets of the company. This related to a cross guarantee for Scolmore (International) Limited and related entities.

24. Related party transactions

The company was under the control of Elite Security Products Holdings Limited throughout the current period by virtue of it's ownership of 100% of the ordinary share capital.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

The ultimate parent company is Scolmore (International) Limited. The company has an omnibus guarantee and set off agreement in favour of this company's bankings arrangement.

25. Controlling party

The immediate parent company is Elite Security Products Holdings Limited.

The ultimate parent company is Scolmore (International) Limited. The consolidated accounts of Scolmore (International) Ltd can be obtained from it's registered office address - 1 Scolmore Park, Landsberg, Lichfield Road Industrial Estate, Tamworth, Staffordshire, B79 7XB.