

REGISTERED NUMBER: 02907163 (England and Wales)

Trueline Expanded Products Ltd

Abbreviated Accounts for the Year Ended 31 October 2016

Pinfields Limited
Chartered Accountants
Meryll House
57 Worcester Road
Bromsgrove
Worcestershire
B61 7DN

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for the year ended 31 October 2016**

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Trueline Expanded Products Ltd
Company Information
for the year ended 31 October 2016

DIRECTORS: Mr S Mares
Mrs A M Mares

REGISTERED OFFICE: Parker Place
Firs Industrial Estate
Kidderminster
Worcestershire
DY11 7QN

REGISTERED NUMBER: 02907163 (England and Wales)

AUDITORS: Pinfields Limited
Chartered Accountants
Meryll House
57 Worcester Road
Bromsgrove
Worcestershire
B61 7DN

**Strategic Report
for the year ended 31 October 2016**

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

REVIEW OF BUSINESS

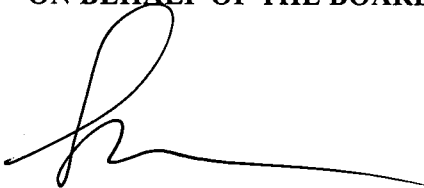
During the year to 31 October, 2016 the company's turnover has decreased from 2015 by approx 16.36% to give turnover of £7,416,948. However, the gross margins have significantly increased by 6.25% to 38.31% as at 31 October 2016. Administration overheads have increased and this has led to a decrease in Net Profit - all as detailed in the enclosed accounts. Even with this decrease it still leaves the company in a strong position on which to trade for the next year.

The key performance indicators are turnover, margin and ultimate profitability and the analysis of these was given above.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties for the business is the general state of the UK economy. Especially with regard to the buoyancy of the building industry. The business is also concerned with the cost of its raw material purchases.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'S Mares', with a long horizontal stroke extending to the right.

Mr S Mares - Director

27 July 2017

**Report of the Directors
for the year ended 31 October 2016**

The directors present their report with the accounts of the company for the year ended 31 October 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacturing of metal angle beads for the building industry.

DIVIDENDS

An interim dividend of 53.80 per share was paid on 30 April 2016. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 October 2016 will be £538,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2015 to the date of this report.

Mr S Mares

Mrs A M Mares

POLITICAL DONATIONS AND EXPENDITURE

During the period the company made charitable donations of £13,563.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

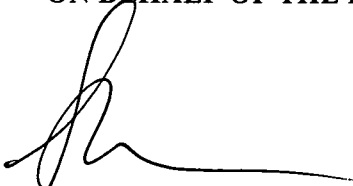
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Report of the Directors
for the year ended 31 October 2016**

AUDITORS

The auditors, Pinfields Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'S Mares', with a long horizontal line extending to the right.

Mr S Mares - Director

27 July 2017

**Report of the Independent Auditors to
Trueline Expanded Products Ltd
Under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages six to twenty one, together with the full financial statements of Trueline Expanded Products Ltd for the year ended 31 October 2016 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

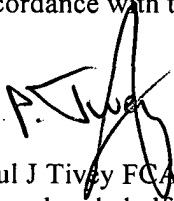
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated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

Basis of opinion

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

Opinion

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



Paul J Tivy FCA FCCA (Senior Statutory Auditor)
for and on behalf of Pinfields Limited
Chartered Accountants
Meryll House
57 Worcester Road
Bromsgrove
Worcestershire
B61 7DN

27 July 2017

Pinfields Limited Chartered Accountants (Statutory Auditor)

**Abbreviated Income Statement
for the year ended 31 October 2016**

| | Notes | 2016 £ | 2015 £ |
|--|-------|------------------|------------------|
| TURNOVER | | 7,416,948 | 8,867,454 |
| Cost of sales and other operating income | | (4,501,104) | (5,766,831) |
| | | <u>2,915,844</u> | <u>3,100,623</u> |
| Administrative expenses | | (2,100,891) | (2,140,573) |
| OPERATING PROFIT | 3 | 814,953 | 960,050 |
| Interest receivable and similar income | | 434 | 139 |
| | | <u>815,387</u> | <u>960,189</u> |
| Interest payable and similar charges | 4 | (52,776) | (37,741) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 762,611 | 922,448 |
| Tax on profit on ordinary activities | 5 | (121,731) | (104,152) |
| PROFIT FOR THE FINANCIAL YEAR | | 640,880 | 818,296 |

The notes form part of these abbreviated accounts

**Other Comprehensive Income
for the year ended 31 October 2016**

| | Notes | 2016 £ | 2015 £ |
|---|-------|----------------|------------------|
| PROFIT FOR THE YEAR | | 640,880 | 818,296 |
| OTHER COMPREHENSIVE INCOME | | | |
| | | - | 282,303 |
| Income tax relating to other comprehensive income | | - | - |
| | | <hr/> | <hr/> |
| OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX | | - | 282,303 |
| | | <hr/> | <hr/> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 640,880 | 1,100,599 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The notes form part of these abbreviated accounts

Abbreviated Balance Sheet
31 October 2016

| | Notes | 2016 £ | 2015 £ |
|--|-------|-------------------------|-------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 7 | 1,563,671 | 1,412,939 |
| Investment property | 8 | 416,912 | 729,912 |
| | | <u>1,980,583</u> | <u>2,142,851</u> |
| CURRENT ASSETS | | | |
| Stocks | 9 | 587,600 | 639,084 |
| Debtors | 10 | 4,688,289 | 2,828,626 |
| Cash at bank and in hand | | 640,827 | 1,651,641 |
| | | <u>5,916,716</u> | <u>5,119,351</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 11 | 2,148,892 | 1,727,411 |
| NET CURRENT ASSETS | | <u>3,767,824</u> | <u>3,391,940</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>5,748,407</u> | <u>5,534,791</u> |
| CREDITORS | | | |
| Amounts falling due after more than one year | 12 | (370,322) | (283,035) |
| PROVISIONS FOR LIABILITIES | 16 | (70,491) | (47,042) |
| NET ASSETS | | <u><u>5,307,594</u></u> | <u><u>5,204,714</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 17 | 10,000 | 10,000 |
| Revaluation reserve | 18 | 282,303 | 282,303 |
| Retained earnings | 18 | 5,015,291 | 4,912,411 |
| SHAREHOLDERS' FUNDS | | <u><u>5,307,594</u></u> | <u><u>5,204,714</u></u> |

The notes form part of these abbreviated accounts

Abbreviated Balance Sheet - continued
31 October 2016

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 27 July 2017 and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'S Mares', with a long horizontal line extending to the right.

Mr S Mares - Director

**Statement of Changes in Equity
for the year ended 31 October 2016**

| | Called up share capital £ | Retained earnings £ | Revaluation reserve £ | Total equity £ |
|-----------------------------------|--|------------------------------------|--------------------------------------|-------------------------------|
| Balance at 1 November 2014 | 10,000 | 4,809,115 | - | 4,819,115 |
| Changes in equity | | | | |
| Dividends | - | (715,000) | - | (715,000) |
| Total comprehensive income | - | 818,296 | 282,303 | 1,100,599 |
| Balance at 31 October 2015 | <u>10,000</u> | <u>4,912,411</u> | <u>282,303</u> | <u>5,204,714</u> |
| Changes in equity | | | | |
| Dividends | - | (538,000) | - | (538,000) |
| Total comprehensive income | - | 640,880 | - | 640,880 |
| Balance at 31 October 2016 | <u>10,000</u> | <u>5,015,291</u> | <u>282,303</u> | <u>5,307,594</u> |

The notes form part of these abbreviated accounts

Notes to the Abbreviated Accounts
for the year ended 31 October 2016

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

| | |
|-----------------------|---------------------------|
| Long leasehold | - 2% on cost |
| Plant and machinery | - 20% on reducing balance |
| Fixtures and fittings | - 20% on reducing balance |
| Motor vehicles | - 25% on reducing balance |
| Racehorses | - 20% on cost |

Investment properties

The investment properties are shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value are transferred to a revaluation reserve.

The investment properties were valued by the Directors of the business at open market value.

Stocks

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

2. STAFF COSTS

| | 2016 £ | 2015 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 1,406,344 | 1,386,799 |
| Social security costs | 129,622 | 128,831 |
| Other pension costs | 9,520 | - |
| | <u>1,545,486</u> | <u>1,515,630</u> |

The average monthly number of employees during the year was as follows:

| | 2016 | 2015 |
|---------|-----------|-----------|
| Factory | 38 | 37 |
| Office | 17 | 17 |
| | <u>55</u> | <u>54</u> |

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

| | 2016 £ | 2015 £ |
|--|---------------|---------------|
| Hire of plant and machinery | 30,718 | 49,446 |
| Depreciation - owned assets | 175,258 | 158,183 |
| Depreciation - assets on hire purchase contracts | 93,359 | 25,815 |
| (Profit)/loss on disposal of fixed assets | (5,112) | 2,424 |
| Auditors' remuneration | 15,500 | 11,000 |
| | <u>22,909</u> | <u>97,770</u> |

4. INTEREST PAYABLE AND SIMILAR CHARGES

| | 2016 £ | 2015 £ |
|------------------------------|---------------|---------------|
| Bank interest | 657 | 132 |
| Bank loan interest | 25,734 | 16,785 |
| Interest on overdue taxation | 2,311 | 10,599 |
| Hire purchase | 24,074 | 10,225 |
| | <u>52,776</u> | <u>37,741</u> |

Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

| | 2016 £ | 2015 £ |
|--------------------------------------|-----------|-----------|
| Current tax: | | |
| UK corporation tax | 99,054 | 158,488 |
| Prior year tax adjustment | (772) | (55,927) |
| Total current tax | 98,282 | 102,561 |
| Deferred tax | 23,449 | 1,591 |
| Tax on profit on ordinary activities | 121,731 | 104,152 |

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

| | 2016 £ | 2015 £ |
|--|-----------|-----------|
| Profit on ordinary activities before tax | 762,611 | 922,448 |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.410%) | 152,522 | 188,272 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 19,933 | 8,995 |
| Capital allowances in excess of depreciation | (24,774) | - |
| Depreciation in excess of capital allowances | - | 16,025 |
| Adjustments to tax charge in respect of previous periods | (772) | (55,927) |
| Research & development enhanced deduction | (48,627) | (54,804) |
| Deferred taxation | 23,449 | 1,591 |
| Total tax charge | 121,731 | 104,152 |

Tax effects relating to effects of other comprehensive income

| | Gross £ | 2015 Tax £ | Net £ |
|-----------------------------------|------------|------------------|----------|
| Revaluation of leasehold property | 282,303 | - | 282,303 |
| | 282,303 | - | 282,303 |

Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016

6. DIVIDENDS

| | 2016 £ | 2015 £ |
|----------------------------|----------------|----------------|
| Ordinary shares of £1 each | | |
| Interim | <u>538,000</u> | <u>715,000</u> |

7. TANGIBLE FIXED ASSETS

| | Long leasehold £ | Plant and machinery £ | Fixtures and fittings £ |
|--------------------------|------------------------|-----------------------------|----------------------------------|
| COST OR VALUATION | | | |
| At 1 November 2015 | 850,000 | 676,447 | 84,615 |
| Additions | - | 325,869 | - |
| At 31 October 2016 | <u>850,000</u> | <u>1,002,316</u> | <u>84,615</u> |
| DEPRECIATION | | | |
| At 1 November 2015 | - | 483,803 | 70,937 |
| Charge for year | 17,000 | 103,703 | 2,735 |
| Eliminated on disposal | - | - | - |
| At 31 October 2016 | <u>17,000</u> | <u>587,506</u> | <u>73,672</u> |
| NET BOOK VALUE | | | |
| At 31 October 2016 | <u>833,000</u> | <u>414,810</u> | <u>10,943</u> |
| At 31 October 2015 | <u>850,000</u> | <u>192,644</u> | <u>13,678</u> |

Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016

7. TANGIBLE FIXED ASSETS - continued

| | Motor vehicles £ | Racehorses £ | Totals £ |
|--------------------------|------------------------|-----------------|-------------|
| COST OR VALUATION | | | |
| At 1 November 2015 | 345,485 | 384,635 | 2,341,182 |
| Additions | 136,887 | 15,054 | 477,810 |
| Disposals | (140,216) | - | (140,216) |
| At 31 October 2016 | 342,156 | 399,689 | 2,678,776 |
| DEPRECIATION | | | |
| At 1 November 2015 | 184,739 | 188,764 | 928,243 |
| Charge for year | 65,241 | 79,938 | 268,617 |
| Eliminated on disposal | (81,755) | - | (81,755) |
| At 31 October 2016 | 168,225 | 268,702 | 1,115,105 |
| NET BOOK VALUE | | | |
| At 31 October 2016 | 173,931 | 130,987 | 1,563,671 |
| At 31 October 2015 | 160,746 | 195,871 | 1,412,939 |

Cost or valuation at 31 October 2016 is represented by:

| | Long leasehold £ | Plant and machinery £ | Fixtures and fittings £ |
|-------------------|------------------------|-----------------------------|----------------------------------|
| Valuation in 2015 | 212,140 | - | - |
| Cost | 637,860 | 1,002,316 | 84,615 |
| | 850,000 | 1,002,316 | 84,615 |

| | Motor vehicles £ | Racehorses £ | Totals £ |
|-------------------|------------------------|-----------------|-------------|
| Valuation in 2015 | - | - | 212,140 |
| Cost | 342,156 | 399,689 | 2,466,636 |
| | 342,156 | 399,689 | 2,678,776 |

Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016

7. TANGIBLE FIXED ASSETS - continued

If leasehold property had not been revalued it would have been included at the following historical cost:

| | 2016 £ | 2015 £ |
|------------------------|-----------|-----------|
| Cost | 637,860 | 637,860 |
| Aggregate depreciation | 95,677 | 82,920 |

leasehold property was valued on an open market value basis on 25 April 2016 by Bruton Knowles.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

| | Plant and machinery £ | Motor vehicles £ | Totals £ |
|--------------------------|-----------------------------|------------------------|-------------|
| COST OR VALUATION | | | |
| At 1 November 2015 | 75,000 | 110,339 | 185,339 |
| Additions | 287,100 | 64,598 | 351,698 |
| Disposals | - | (62,000) | (62,000) |
| At 31 October 2016 | 362,100 | 112,937 | 475,037 |
| DEPRECIATION | | | |
| At 1 November 2015 | 40,700 | 58,618 | 99,318 |
| Charge for year | 64,280 | 29,079 | 93,359 |
| Eliminated on disposal | - | (40,203) | (40,203) |
| At 31 October 2016 | 104,980 | 47,494 | 152,474 |
| NET BOOK VALUE | | | |
| At 31 October 2016 | 257,120 | 65,443 | 322,563 |
| At 31 October 2015 | 34,300 | 51,721 | 86,021 |

Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016

8. INVESTMENT PROPERTY

| | Total £ |
|-----------------------|------------|
| FAIR VALUE | |
| At 1 November 2015 | 729,912 |
| Disposals | (330,000) |
| Revaluations | 17,000 |
| | <hr/> |
| At 31 October 2016 | 416,912 |
| | <hr/> |
| NET BOOK VALUE | |
| At 31 October 2016 | 416,912 |
| | <hr/> |
| At 31 October 2015 | 729,912 |
| | <hr/> |

Cost or valuation at 31 October 2016 is represented by:

| | £ |
|-------------------|-----------|
| Valuation in 2015 | 187,168 |
| Valuation in 2016 | (187,168) |
| Valuation in 2016 | 17,000 |
| Cost | 399,912 |
| | <hr/> |
| | 416,912 |
| | <hr/> |

9. STOCKS

| | 2016 £ | 2015 £ |
|--------|-----------|-----------|
| Stocks | 587,600 | 639,084 |
| | <hr/> | <hr/> |

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2016 £ | 2015 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 1,607,697 | 2,042,631 |
| Other debtors | 5,594 | 5,000 |
| Business loan | 3,000 | 25,000 |
| Amount owed from related party | 2,896,796 | 655,783 |
| Loan - Penlaw Fixings (North) | | |
| Limited | 100,000 | - |
| S455 tax debtor | 57,658 | 93,394 |
| Prepayments | 17,544 | 6,818 |
| | <hr/> | <hr/> |
| | 4,688,289 | 2,828,626 |
| | <hr/> | <hr/> |

Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2016 | 2015 |
|---|------------------|------------------|
| | £ | £ |
| Bank loans and overdrafts (see note 13) | 924,637 | 34,588 |
| Hire purchase contracts (see note 14) | 92,911 | 50,786 |
| Trade creditors | 917,403 | 1,344,717 |
| Tax | 99,054 | 96,268 |
| Social security and other taxes | 32,541 | 34,468 |
| Pension account | 2,493 | - |
| VAT | 66,563 | 151,099 |
| Other creditors | - | 114 |
| Wages control account | - | 365 |
| Directors' current accounts | 2,290 | 4,006 |
| Accrued expenses | 11,000 | 11,000 |
| | <u>2,148,892</u> | <u>1,727,411</u> |

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2016 | 2015 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Bank loans (see note 13) | 238,755 | 275,160 |
| Hire purchase contracts (see note 14) | 131,567 | 7,875 |
| | <u>370,322</u> | <u>283,035</u> |

13. LOANS

Lloyds Loan No.1 is repayable by 30th April 2018 at a fixed interest rate of 7.86% per annum.

Lloyds eLoan is repayable by 24 April 2023 at a fixed interest rate of 3.625% per annum.

Lloyds loan a/c 205312 is repayable by 30 April 2023 at a variable interest rate of 2.75% per annum.

14. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

| | 2016 | 2015 |
|----------------------------|----------------|---------------|
| | £ | £ |
| Net obligations repayable: | | |
| Within one year | 92,911 | 50,786 |
| Between one and five years | 131,567 | 7,875 |
| | <u>224,478</u> | <u>58,661</u> |

Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016

15. SECURED DEBTS

The following secured debts are included within creditors:

| | 2016 | 2015 |
|-------------------------|------------------|----------------|
| | £ | £ |
| Bank overdraft | 130,712 | - |
| Bank loans | 1,032,680 | 309,748 |
| Hire purchase contracts | 224,478 | 58,661 |
| | <u>1,387,870</u> | <u>368,409</u> |

The bank loans are secured by a 1st Legal charge over the commercial leasehold known as Plot 8 Park Place, Firs Industrial Estate, Kidderminster, DY11 7QN dated 01/05/2008.

Also, there is an unlimited debenture dated 18/04/2008 incorporating a fixed & floating charge.

Hire purchase agreements are secured by the assets they represent.

16. PROVISIONS FOR LIABILITIES

| | 2016 | 2015 |
|--------------------------------|---------------|---------------------|
| | £ | £ |
| Deferred tax | <u>70,491</u> | <u>47,042</u> |
| | | Deferred tax |
| | | £ |
| Balance at 1 November 2015 | | 47,042 |
| Accelerated capital allowances | | <u>23,449</u> |
| Balance at 31 October 2016 | | <u>70,491</u> |

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2016 | 2015 |
|---------|----------|----------------|---------------|---------------|
| | | | £ | £ |
| 10,000 | Ordinary | £1 | <u>10,000</u> | <u>10,000</u> |

Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016

18. RESERVES

| | Retained earnings £ | Revaluation reserve £ | Totals £ |
|---------------------|---------------------------|-----------------------------|------------------|
| At 1 November 2015 | 4,912,411 | 282,303 | 5,194,714 |
| Profit for the year | 640,880 | | 640,880 |
| Dividends | (538,000) | | (538,000) |
| At 31 October 2016 | <u>5,015,291</u> | <u>282,303</u> | <u>5,297,594</u> |

19. RELATED PARTY DISCLOSURES

Mr S Mares & Mrs A M Mares
Directors of the company

| | 2016 £ | 2015 £ |
|---|--------------|--------------|
| Amount due to related party at the balance sheet date | <u>2,290</u> | <u>4,006</u> |

Trueline Fitting Services Ltd

A Company in which S Mares is a director and shareholder.

Trueline Fitting Services Ltd is a dormant company and so no transactions have occurred during the period.

S & A Mares Ltd

A company in which Mr S & Mrs A Mares are directors & shareholders

| | 2016 £ | 2015 £ |
|---|------------------|----------------|
| Amount due from related party at the balance sheet date | <u>2,896,796</u> | <u>655,783</u> |

Penlaw Fixings (North) Limited

A company in which Mr S Mares is a director & shareholder

Penlaw Fixings (North) Limited was incorporated on 29 March 2016. During the year Trueline Expanded Products Limited loaned Penlaw Fixings (North) Limited £100,000 on normal commercial terms.

As at 31 October 2016 £100,000 was due to Trueline Expanded Products Limited.

Sales of £17,526 (2015 £nil) were made to Penlaw Fixings (North) Limited during the year and £21,031 (2015 £Nil) was owed by the company at the year end.

Purchases of £899 (2015 £Nil) were also made from Penlaw Fixings (North) Limited during the year and £1,079 (2015 £Nil) was owed to the company at the year end.

**Notes to the Abbreviated Accounts - continued
for the year ended 31 October 2016**

20. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties were Mr & Mrs Mares by virtue of their holding 100% of the issued share capital.

21. FIRST YEAR ADOPTION

The policies applied under the entity's previous accounting framework are not materially different to FRS102 and have not impacted on equity or profit or loss.