Company Registration No. 02997625 (England and Wales)

FOCCHI LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

FOCCHI LIMITED

COMPANY INFORMATION

Directors	Mr M Focchi Mr R Phillips
Secretary	Mr R Phillips
Company number	02997625
Registered office	Sherlock House 7 Kenrick Place London W1U 6HE
Auditors	Berley Chartered Accountants, Statutory Auditors 76 New Cavendish Street London W1G 9TB

FOCCHI LIMITED

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FOCCHI LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present the strategic report and financial statements for the year ended 31 December 2015.

Fair review of the business

Our company business trades exclusively in facades and curtain walls across the United Kingdom. During the year ended 31 December 2015, the company had increased its turnover in comparison to the previous year by 42.9%. However, the real estate market is still very competitive and our pre-tax profit margin has increased to 0.35%. The actual profit for the year is in line with the forecasts and with the previous year. The financial position of the company is good as shown on the Balance Sheet as at 31 December 2015.

	Year ended 31 December 2015	Year ended 31 December 2014	Year ended 31 December 2013
	£	£	£
Turnover	32,878;255	23,007,360	18,574,137
Turnover growth	42.90%	23.90%	17.60%
Gross profit margin	4.07%	5.21%	3.01%
Profit before tax	116,204	62,217	59,410

Principal risks and uncertainties

The 2015 accounts take into consideration the risks and the uncertainties of the UK market, hence the prudent policy has been to identify the profits on the long term contracts of the company only when they are clearly known and determined.

Development and performance

As stated previously, the turnover has increased to £33 million (2014: £23 million). The net profit margin of turnover has increased to 0.35% (2014: 0.27%).

On behalf of the board

Mr M Focchi
Director
18 May 2016

FOCCHI LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their directors' report and financial statements for the year ended 31 December 2015.

Principal activities
The principal activity of the company continued to be that of the installation of curtain walls, doors, windows and other architectural products.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr M Focchi
Mr R Phillips

Results and dividends
The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Financial instruments

The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, inter-company balances with the parent and connected companies, plus property leases. The main purpose of these instruments is to raise funds and to finance the company's operations.

Due to the nature of the financial instruments used by the company, there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments is shown below.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The company makes use of bank deposit account facilities where funds are available.

In respect of inter-company balances, these comprise of balances with a connected company, Focchi Investments Limited, and its parent company, Focchi Spa. For the inter-company balances, they will be repayable depending on the cash flow requirements of the individual companies. The company will need to manage its cash flow to ensure repayment in due course.

The company was a lessee in respect of a property. The liquidity risk in respect of this is managed in the same way as the inter-company balances above.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Research and development
The company does not have any expenditure for research and development.

Post reporting date events
No balance sheet events have happened during the first months of the current year that have implications on the company.

Future developments

The directors are expecting the turnover for the year 2016 to be in line with the previous year.

Auditors

The auditors, Berley Chartered Accountants, Statutory Auditors, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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 of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

Mr M Focchi
Director
18 May 2016

FOCCHI LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF FOCCHI LIMITED

We have audited the financial statements of Focchi Limited for the year ended 31 December 2015 set out on pages 6 to 19. 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), including Financial Reporting Standard 102.

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 Directors' Responsibilities Statement set out on page 3, 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 Annual 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 2015 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 matters 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.

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.

Jeremy H Berman (Senior Statutory Auditor)
76 New Cavendish Street, London W1G 9TB

For and on behalf of
Berley Chartered Accountants, Statutory Auditors

2 June 2016

FOCCHI LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	3	32,878,255	23,007,360
Cost of sales		(31,540,181)	(21,808,448)
Gross profit		1,338,074	1,198,912
Administrative expenses		(1,233,599)	(1,144,676)
Other operating income		5,601	2,976
Operating profit	4	110,076	57,212
Interest receivable and similar income	7	6,128	5,005
Profit before taxation		116,204	62,217
Taxation	8	(24,663)	(13,024)
Profit for the financial year		91,541	49,193
Total comprehensive income for the year		91,541	49,193

The income statement has been prepared on the basis that all operations are continuing operations.

FOCCHI LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	9		6,634		11,018
Current assets					
Stocks	11	846,148		661,573	
Debtors	12	11,515,094		12,371,607	
Cash at bank and in hand		1,988,113		772,103	
		14,349,355		13,805,283	
Creditors: amounts falling due within one year	13	(11,181,974)		(10,733,827)	
Net current assets			3,167,381		3,071,456
Total assets less current liabilities			3,174,015		3,082,474
Capital and reserves					
Called up share capital	14		50,000		50,000
Profit and loss reserves			3,124,015		3,032,474
Total equity			3,174,015		3,082,474

The financial statements were approved by the board of directors and authorised for issue on 18 May 2016 and are signed on its behalf by:

Mr M Focchi
Director

Company Registration No. 02997625

FOCCHI LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2014	50,000	2,983,281	3,033,281
Period ended 31 December 2014:			
Profit and total comprehensive income for the year	-	49,193	49,193
Balance at 31 December 2014	50,000	3,032,474	3,082,474
Period ended 31 December 2015:			
Profit and total comprehensive income for the year	-	91,541	91,541
Balance at 31 December 2015	50,000	3,124,015	3,174,015

FOCCHI LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

		2015		2014	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	**18**		1,225,039		262,082
Income taxes paid			(13,024)		(12,181)
Net cash inflow from operating activities			1,212,015		249,901
Investing activities					
Purchase of tangible fixed assets		(3,026)		(3,926)	
Proceeds on disposal of tangible fixed assets		893		-	
Interest received		6,128		5,005	
Net cash generated from investing activities			3,995		1,079
Net increase in cash and cash equivalents			1,216,010		250,980
Cash and cash equivalents at beginning of year			772,103		521,123
Cash and cash equivalents at end of year			1,988,113		772,103

1 Accounting policies

Company information

Focchi Limited is a company limited by shares incorporated in England and Wales. The registered office is Sherlock House, 7 Kenrick Place, London, W1U 6HE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

These financial statements for the year ended 31 December 2015 are the first financial statements of Focchi Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Profit is recognised on long term contracts if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account, the turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which has been completed. The costs incurred in reaching that stage of completion are then matched to turnover.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	Straight line over 5 years
Computer equipment	Straight line over 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Stocks

Stocks are stated at cost and comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

1 Accounting policies **(Continued)**

1.6 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

1 Accounting policies **(Continued)**

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2015	2014
	£	£
Turnover		
Curtain walls and facades	32,878,255	23,007,360

Turnover analysed by geographical market

	2015	2014
	£	£
United Kingdom	32,878,255	23,007,360

4 Operating profit

	2015	2014
Operating profit for the year is stated after charging:	£	£
Exchange losses	453,728	424,417
Fees payable to the company's auditors for the audit of the company's financial statements	8,000	8,000
Depreciation of owned tangible fixed assets	4,378	5,187
Loss on disposal of tangible fixed assets	2,139	-
Cost of stocks recognised as an expense	27,634,046	18,073,074
Operating lease charges	116,648	113,825

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2015 Number	2014 Number
On site managers	4	4
Administration	5	5
	9	9

Their aggregate remuneration comprised:

	2015 £	2014 £
Wages and salaries	4,086,279	3,901,267
Social security costs	61,728	64,072
	4,148,007	3,965,339

6 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	129,536	134,796

7 Interest receivable and similar income

	2015 £	2014 £
Interest income		
Interest on bank deposits	6,128	5,005

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	6,128	5,005

8 Taxation

	2015 £	2014 £
Current tax		
UK corporation tax on profits for the current period	24,663	13,024

8 Taxation (Continued)

The charge for the year can be reconciled to the profit per the income statement as follows:

	2015	2014
	£	£
Profit before taxation	116,204	62,217
Expected tax charge based on the standard rate of corporation tax in the UK of 20.25% (2014: 20.00%)	23,531	12,443
Non deductible expenses	2,035	1,563
Capital allowances	(776)	(982)
Other tax adjustments	(127)	-
Tax expense for the year	24,663	13,024

9 Tangible fixed assets

	Fixtures, fittings & equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2015	29,957	48,822	78,779
Additions	1,342	1,684	3,026
Disposals	(4,939)	(300)	(5,239)
At 31 December 2015	26,360	50,206	76,566
Depreciation and impairment			
At 1 January 2015	23,738	44,023	67,761
Depreciation charged in the year	1,802	2,576	4,378
Eliminated in respect of disposals	(2,140)	(67)	(2,207)
At 31 December 2015	23,400	46,532	69,932
Carrying amount			
At 31 December 2015	2,960	3,674	6,634
At 31 December 2014	6,219	4,799	11,018

10 Financial instruments

	2015	2014
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,952,388	1,771,142

(Continued)

10 Financial instruments

Carrying amount of financial liabilities		
Measured at amortised cost	10,952,853	10,699,920

11 Stocks

	2015 £	2014 £
Long term contract balances: Net cost less foreseeable losses	846,148	661,573

12 Debtors

Amounts falling due within one year:	2015 £	2014 £
Trade debtors	2,946,124	1,765,256
Amounts recoverable from long term contracts	5,975,647	8,515,448
Other debtors	6,264	262,258
Prepayments and accrued income	2,587,059	1,828,645
	11,515,094	12,371,607

13 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	535,852	682,619
Amount due to parent undertaking	1,564,489	3,377,007
Corporation tax	24,663	13,024
Other taxation and social security	204,458	20,883
Other creditors	3,323	3,302
Accruals and deferred income	8,849,189	6,636,992
	11,181,974	10,733,827

14 Share capital

	2015 £	2014 £
Ordinary share capital		
Issued and fully paid		
50,000 Ordinary of £1 each	50,000	50,000

15 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015	2014
	£	£
Within one year	110,000	110,000
Between two and five years	440,000	440,000
In over five years	55,000	165,000
	605,000	715,000

16 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2015	2014
	£	£
Aggregate compensation	115,954	122,119

Transactions with related parties

During the year, the company paid rent of £110,000 (2014:£110,000) on its office premises to Focchi Investments Limited, a related company also controlled by the Focchi family. The rent is charged on an arm's length basis.

No guarantees have been given or received.

17 Controlling party

The parent company is Focchi Spa, a company registered in Italy. The parent company is controlled by the Focchi family.

Focchi Spa prepares group financial statements and copies can be obtained from Via Cornacchiara, 805, 47824 Poggio Torriana, Rimini, Italy.

18 Cash generated from operations

	2015	2014
	£	£
Profit for the year after tax	91,541	49,193
Adjustments for:		
Taxation charged	24,663	13,024
Investment income	(6,128)	(5,005)
Loss on disposal of tangible fixed assets	2,139	-
Depreciation and impairment of tangible fixed assets	4,378	5,187
Movements in working capital:		
Increase in stocks	(184,575)	(661,573)
Decrease/(increase) in debtors	856,513	(777,659)
Increase in creditors	436,508	1,638,915
Cash generated from operations	1,225,039	262,082