

Hamelin Brands Limited

Directors' report and financial  
statements

Registered number 05680323

31 December 2015

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## Strategic report

### Results and review of activities

The results for the year are given on page 5. The company's principal activities during the year have been the supply of stationery products.

Annual turnover per employee has decreased to £519,000 (2014: £577,000).

Profit on ordinary activities before tax has improved from £2.5m to £2.8m, rising from 8.6% to 10.8% of turnover.

Management of working capital has remained a key focus during the year.

The business is confident of its position & ability to compete in the UK market for the foreseeable future.

### Principal risks and uncertainties

The management of the business and the execution of the company's strategy is subject to certain risks. The key risk identified by the directors is the exposure to foreign currency exchange fluctuations and in particular, movements of sterling against the euro.

### Dividends

The directors paid a dividend of £7m in the year (2014: £nil).

Movements in reserves are shown in note 15.

### Employees

#### a) *Disabled Persons*

The company will give full consideration to the possibility of employing disabled persons wherever such opportunities exist. Those employees who become disabled will be given the opportunity and assistance to continue in their employment or to be trained for other, more suitable, positions.

#### b) *Employee Communication*

Information on matters of concern to employees is communicated in a variety of ways, the principal ones being:

- i) Briefing meetings to all staff are held as and when appropriate to need.
- ii) Safety meetings are held monthly.
- iii) A quarterly in-house information magazine is published at varying intervals during the year.



P P S Beer  
Director

9th June 2016

## Directors' report

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

### Results, dividends and future developments

Details of the Company's results, dividends and future developments are set out in the strategic report.

### Directors and their interests

The directors who served during the year were:

P P S Beer  
S Hamelin

No directors had, at any time during the year, any material interest in a contract with the company.

### Political and charitable contributions

During the year the company donated £680 (2014: £1,188) to charitable organisations. It made no political contributions during the year (2014: £nil).

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

By Order of the Board



P P S Beer  
Director

9/6/2016

## **Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law he has elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **Independent auditor's report to the members of Hamelin Brands Limited**

We have audited the financial statements of Hamelin Brands Limited for the year ended 31<sup>st</sup> December 2015 set out on pages 5 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement 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 (APB's) Ethical Standards for Auditors.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31<sup>st</sup> December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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.

**Stephen Muncey** (Senior Statutory Auditor)  
For and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
Botanic House  
100 Hills Road  
Cambridge  
CB2 1AR

10 June 2016

**Profit and loss account**  
*for the year ended 31 December 2015*

		2015 £000	2014 £000
	Note		
Turnover	2	25,943	28,843
Operating costs	3	(22,303)	(26,194)
Operating profit		<u>3,640</u>	<u>2,649</u>
Other interest receivable and similar income	6	93	100
Other interest payable	7	(910)	(264)
Profit/(Loss) on disposal of fixed assets		3	(2)
<b>Profit on ordinary activities before taxation</b>	4	<u>2,826</u>	<u>2,483</u>
Tax on profit on ordinary activities	8	(232)	97
<b>Retained profit for the year</b>		<u><u>2,594</u></u>	<u><u>2,580</u></u>

All of the activities of the company are classed as continuing. There was no comprehensive income other than profit for the financial year.

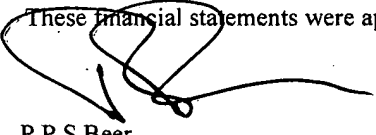
There is no difference between the profit shown above and the historical cost profit.

The notes on pages 9 to 18 form part of these accounts.

**Balance sheet**  
*At 31 December 2015*

	Note	2015 £000	2014 £000
<b>Fixed Assets</b>			
Tangible assets	9	7,249	7,598
<b>Current Assets</b>			
Stocks	10	1,790	2,115
Debtors	11	9,533	13,628
Cash at bank and in hand		3,892	1,826
<b>Creditors: Amounts falling due within one year</b>	13	15,215 (8,143)	17,569 (6,440)
<b>Net current assets</b>		7,072	11,129
<b>Total assets less current liabilities</b>		14,321	18,727
<b>Net assets</b>		14,32	18,727
<b>Capital and reserves</b>			
Called up share capital	14	500	500
Profit and loss account	15	13,821	18,227
<b>Shareholders' funds</b>		14,321	18,727

These financial statements were approved by the directors on 9/6/16 and were signed on their behalf by:

  
P P S Beer  
Director  
Hamelin Brands Limited – Company Number 05680323

The notes on pages 9 to 18 form part of these accounts.



**Statement of Changes in Equity**  
*At 31 December 2015*

	Called up Share Capital £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2015	500	18,227	18,727
<b>Total comprehensive income for the year</b>			
Profit for the year	-	2,594	2,594
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	-	2,594	2,594
	<hr/>	<hr/>	<hr/>
<b>Transactions with owners, recorded directly in equity</b>			
Dividends	-	(7,000)	(7,000)
	<hr/>	<hr/>	<hr/>
Total distributions to owners	-	(7,000)	(7,000)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2015</b>	<b>500</b>	<b>13,821</b>	<b>14,321</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Balance at 1 January 2014	500	15,647	16,147
<b>Total comprehensive income for the year</b>			
Profit for the period	-	2,580	2,580
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	-	2,580	2,580
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2014</b>	<b>500</b>	<b>18,227</b>	<b>18,727</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9 to 18 form part of these accounts.

**Cash flow statement**  
*for the year ended 31 December 2015*

	2015 £000	2014 £000
<b>Cash flows from operating activities</b>		
Profit for the year	2,594	2,580
Adjustments for:		
Depreciation, amortisation and impairment	369	384
Interest receivable and similar income	(93)	(100)
Interest payable and similar charges	910	264
Profit on sale of Fixed assets	(3)	2
Taxation	232	(97)
	<hr/> 4,009	<hr/> 3,033
Decrease in debtors	645	220
Decrease in stocks	325	86
Increase in creditors	1,681	453
Tax paid	(10)	-
	<hr/>	<hr/>
<b>Net cash from operating activities</b>	<b>6,650</b>	<b>3,792</b>
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of Fixed Assets	(20)	(156)
Proceeds from sale of tangible fixed assets	3	6
Interest received	93	100
	<hr/>	<hr/>
<b>Net cash from investing activities</b>	<b>76</b>	<b>(50)</b>
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Interest paid & similar charges	(910)	(264)
Borrowings / (Repayment of borrowings)	3,250	(2,899)
Dividends paid	(7,000)	-
	<hr/>	<hr/>
<b>Net cash from financing activities</b>	<b>(4,660)</b>	<b>(3,163)</b>
	<hr/>	<hr/>
Net increase in cash and cash equivalents	2,066	579
Cash and cash equivalents at the start of the year	1,826	1,247
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>3,892</b>	<b>1,826</b>
	<hr/>	<hr/>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the Company has not retrospectively changed its accounting under old UK GAAP for accounting estimates.

#### *Accounting Convention*

These accounts are prepared in accordance with the historical cost convention.

#### *Going Concern*

The company's business activities, together with the factors likely to affect its future performance are set out in the Strategic and Directors' Report on pages 1 to 2.

The directors have considered the factors that impact the company's future development, performance, cash-flows and financial position along with current liquidity, in forming their opinion on the going concern status.

Budget projections for the 12 months from the date of approval of these financial statements anticipate profits and positive operating cash flows.

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

#### *Foreign currencies*

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

#### *Turnover*

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of value added tax and sales between divisions, net of customer rebates. Revenue is recognised on delivery of goods to the customer.

#### *Research and development*

Expenditure on research and development is written off to the profit and loss account in the year in which it is incurred.

#### *Pensions*

The Company operates a defined contribution Group Personal Pension Plan, the assets of the scheme are held separately from those of the Company in independently administered funds. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting year.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies *(continued)*

#### *Tangible fixed assets and depreciation*

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated so as to write off the cost or valuation of tangible fixed assets on a straight-line basis over their estimated useful life. Freehold buildings are amortised over their estimated future useful life, using rates between 2% and 10%. The depreciation rates for plant and equipment range from 20% to 33%. Freehold land is not depreciated.

#### *Stocks and Work in Progress*

Stocks and work in progress are stated at the lower of cost and net realisable value. In general, cost is determined on a first-in first-out basis; in the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity.

#### *Taxation*

Tax on the profit for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

#### *Fixed Asset Investments*

Fixed asset investments are valued at cost less provisions for impairment.

#### *Leases*

Rental costs under operating leases are charged to the profit and loss account as incurred.

#### *Classification of financial instruments issued by the Company*

Following the adoption of FRS 102.22, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies *(continued)*

#### **Basic financial instruments**

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

#### **Other financial instruments**

##### *Derivative financial instruments*

Derivative financial instruments are recognised at fair value. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss.

### 2 Turnover

The geographical analysis of the company's turnover by destination is as follows:

	2015 £000	2014 £000
United Kingdom		
Rest of Europe	24,047	26,791
Other	170	296
	1,726	1,756
	<hr/> 25,943	<hr/> 28,843

### 3 Operating costs

	2015 £000	2014 £000
Goods purchased for resale	16,417	21,056
Change in stocks of finished goods and work in progress	325	86
Other external charges	3,284	2,738
Staff costs <i>(note 4)</i>	1,908	1,930
Depreciation of owned assets	369	384
	<hr/> 22,303	<hr/> 26,194

**Notes (continued)**

**4 Profit on ordinary activities before taxation**

	2015 £000	2014 £000
Other external charges include:		
Other operating lease rentals	60	55
Auditors' remuneration:		
for audit	20	19
for tax	10	11
	<hr/>	<hr/>
Staff costs represent:		
Wages and salaries	1,652	1,660
Social security costs	181	206
Other pension costs	75	64
	<hr/>	<hr/>
	<b>1,908</b>	<b>1,930</b>
	<hr/>	<hr/>

There were no prepayments or accruals in respect of pension scheme costs at the balance sheet date.

**5 Directors and employees**

	2015 £000	2014 £000
Directors' emoluments	176	172
Company contributions to money purchase pension schemes	8	7
	<hr/>	<hr/>
	<b>184</b>	<b>179</b>
	<hr/>	<hr/>

One director is remunerated by the company and therefore the above table also discloses the highest paid director information. The other director is remunerated by another group company.

	Number of directors 2015	2014
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	1	1

**Notes (continued)**

**5 Directors and Employees (continued)**

The average number of persons (excluding directors) employed by the company during the year was 50 (2014: 50).  
The analysis of employees by function was as follows:

	2015 Number	2014 Number
Sales and Administration	31	30
Warehousing & Distribution	19	20
	<hr/> 50	<hr/> 50
	<hr/> <hr/>	<hr/> <hr/>

**6 Interest receivable and similar income**

	2015 £000	2014 £000
Interest receivable on Group Loan	92	100
Foreign exchange gain	-	-
Other Interest receivable	1	-
	<hr/> 93	<hr/> 100
	<hr/> <hr/>	<hr/> <hr/>

**7 Interest payable and similar charges**

	2015 £000	2014 £000
Foreign exchange loss	638	239
Bank interest	-	-
Bank charges	12	25
Foreign Currency options	260	-
	<hr/> 910	<hr/> 264
	<hr/> <hr/>	<hr/> <hr/>

## Notes (continued)

### 8 Tax on profit on ordinary activities

#### Analysis of charge/(credit) in the year

	2015 £000	2014 £000
Current tax	32	-
Deferred tax	200	(97)
	<hr/>	<hr/>
Tax on profit on ordinary activities	232	(97)
	<hr/>	<hr/>

	£000	2015 £000	£000	£000	2014 £000	£000
	Current tax	Deferred tax	Total tax	Current tax	Deferred tax	Total tax
Recognised in Profit and loss account	32	200	232	-	(97)	(97)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total tax	32	200	232	-	(97)	(97)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

#### Reconciliation of effective tax rate

The total tax assessed for the year is lower (2014: lower) than the standard rate of corporation tax in the UK of 20% (2014: 21.5%). The differences are explained below:

	2015 £000	2014 £000
Profit for the year	2,594	2,580
Total tax expense / (income)	232	(97)
	<hr/>	<hr/>
Profit excluding taxation	2,826	2,483
Tax using the UK corporation tax rate of 20.25% (2014: 21.5%)	572	534
Effects of:		
Unrecognised deferred tax	(115)	(366)
Expenses not deductible for tax	(15)	-
Difference due to change in tax rate	(10)	10
Tax losses utilised	(200)	(275)
	<hr/>	<hr/>
Total tax expense/(credit) included in profit or loss	232	(97)
	<hr/>	<hr/>

In future years, the tax charge will be affected by movements in currently unrecognised deferred tax assets, the most significant of which relate to tax losses, and the extent to which any capital gains can be either rolled over or sheltered by capital losses within the Group.

The standard rate of corporation tax in the UK reduced from 21% to 20% with effect from 1 April 2015. Accordingly the Company's profits for this accounting period are taxed at an effective rate of 20.25%. The standard rate will fall further to 19% with effect from 1 April 2017 and 18% with effect from April 2020. These rates were enacted during the current period and deferred tax balances have been stated at a rate of 18%.



## Notes (continued)

### 9 Tangible assets

	Land and Buildings £000	Plant and equipment £000	Total £000
<i>Cost</i>			
At beginning of year	9,221	1,301	10,522
Additions	-	20	20
Disposals	-	(52)	(52)
<b>At end of year</b>	<b>9,221</b>	<b>1,269</b>	<b>10,490</b>
<i>Accumulated depreciation</i>			
At beginning of year	1,944	980	2,924
Charge for the year	299	70	369
On disposals	-	(52)	(52)
<b>At 31 December 2015</b>	<b>2,243</b>	<b>998</b>	<b>3,241</b>
<i>Net book value</i>			
<b>At 31 December 2015</b>	<b>6,978</b>	<b>271</b>	<b>7,249</b>
At 31 December 2014	7,277	321	7,598

The net book amount of non-depreciable assets, included in land and buildings, is £1,723,000 (2014: £1,723,000).  
The net book amount of land and buildings relates entirely to freehold properties.

### 10 Stocks

	2015 £000	2014 £000
Finished goods	1,790	2,115

### 11 Debtors

	2015 £000	2014 £000
Amounts falling due within one year:		
Trade debtors	5,529	6,194
Group loan	2,754	6,004
Amounts owed by fellow subsidiary undertakings	31	45
Prepayments and accrued income	57	35
Deferred tax (note 12)	1,150	1,350
Other financial assets (note 20)	12	-
	<b>9,533</b>	<b>13,628</b>

The amount owed by the fellow subsidiary undertaking is payable on demand.

## Notes (continued)

### 12 Deferred Taxation

	Deferred taxation £000
At beginning of year	1,350
Utilised during year	(436)
Additional losses recognised in the year	236
	<hr/>
At end of year	1,150
	<hr/>

The elements of the recognised and unrecognised deferred tax asset are as follows:

	Assets Provided	Net Provided	Unprovided	Assets Provided	Net Provided	Unprovided
	2015 £000	2015 £000	2015 £000	2014 £000	2014 £000	2014 £000
Tax losses carried forward	1,150	1,150	3,036	1,350	1,350	3,723
Decelerated capital allowances	-	-	(295)	-	-	234
Short term timing differences	-	-	12	-	-	29
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,150	1,150	2,740	1,350	1,350	3,986
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Deferred tax assets have not been provided in full, due to the uncertainty and timing of future profits.

### 13 Creditors

	2015 £000	2014 £000
Amounts falling due within one year:		
Trade creditors	779	807
Amounts owed to parent and fellow subsidiary undertakings	1,378	1,699
Other creditors including taxation and social security (see below)	461	437
Corporation tax	12	-
Accruals and deferred income	3,971	2,816
Intercompany loan account	1,532	681
Corporation tax	12	-
	<hr/>	<hr/>
	8,143	6,440
	<hr/>	<hr/>
Other creditors including taxation and social security comprise:		
Social security contributions	49	45
Other creditors	412	392
	<hr/>	<hr/>
	461	437
	<hr/>	<hr/>

## Notes (continued)

### 14 Called up share capital

	2015 £000	2014 £000
Issued and fully paid: 500,000 ordinary shares of £1 each	500	500
	<u>500</u>	<u>500</u>

### 15 Reserves

	Profit & loss £000
Retained profit brought forward	18,227
Profit for the year	2,594
Dividends	(7,000)
	<u>13,821</u>
<b>At 31 December 2014</b>	<b>13,821</b>

### 16 Pensions

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The amounts charged to the profit and loss account represent the contributions payable to the scheme in respect of the accounting year.

### 17 Related party transactions

The company has taken advantage of the exemptions allowed under FRS 102.33 not to disclose transactions with entities, which are part of the group, or investees of the group qualifying as related parties. There were no other related party transactions.

### 18 Ultimate parent undertaking

The company is a subsidiary undertaking of Holdham SA, a company incorporated in France. The largest group in which the results of the company are consolidated is that headed by Holdham SA, incorporated in France.

### 19 Commitments

The company had capital commitments at 31 December 2015 of £38,034(2014: Nil) relating to the purchase of assets.

Payments due under non-cancellable operating leases are as follows:

	2015 Motor Vehicles £000	2014 Motor Vehicles £000
Within one year	7	4
In the second to fifth years inclusive	94	93
	<u>101</u>	<u>97</u>

**Notes** *(continued)*

**20 Financial instruments**

The carrying amounts of the financial assets include:

	2015 £000	2014 £000
Assets measured at fair value through profit and loss	12	-
	<u>12</u>	<u>-</u>
	<u><u>12</u></u>	<u><u>-</u></u>

The carrying value of financial assets represents foreign exchange options with exercise dates spread through the year ended 31 December 2016, the latest being 7 December 2016.

The options are not traded in active markets. These have been valued using observable foreign exchange rates.