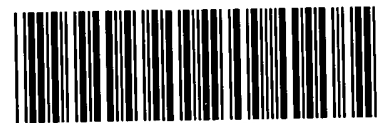


REGISTERED NUMBER: 00112990 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016
FOR
JEPSON & CO LIMITED**

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FOR THE YEAR ENDED 30 JUNE 2016**

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JEPSON & CO LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2016

DIRECTORS:

Miss B G Jepson
J Hartley
P G Jepson

SECRETARY:

Miss B G Jepson

REGISTERED OFFICE:

44 East Bank Road
Sheffield
S2 3QN

REGISTERED NUMBER:

00112990 (England and Wales)

AUDITORS:

Stephen Allen & Co. Ltd
Statutory Auditor
Riverdale
89 Graham Road
Sheffield
South Yorkshire
S10 3GP

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

The directors present their strategic report for the year ended 30 June 2016.

REVIEW OF BUSINESS

The principal activity of the company is the manufacture and sale of vehicle number plates and signs.

The results of the company show consistent profitability and progress over the last two years.

PRINCIPAL RISKS AND UNCERTAINTIES

The company operates in a mature and price sensitive environment and seeks to mitigate competitive risk by striving to provide quality, service and value into the market place.

RESULTS AND PERFORMANCE

The group has continued to endeavour to position itself to deliver to its customers the best products, service and value for money by continually innovating and improving its products, service, planning, processes and people.

The business environment in which the company operates has been alluded to above. By maintaining a strong balance sheet it is still able to evaluate a variety of strategic options and opportunities as they arise.

Key performance indicators of the company's progress are provided by the results of the company for the year, as set out on pages 5 to 7. The results show a profit on ordinary activities before tax of £805,707 (2015 - £768,616 restated) and a net worth on the balance sheet of £9.0m included £5.0m of cash (2015 - £8.5m restated).

ON BEHALF OF THE BOARD:



P G Jepson - Director

26 January 2017

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2016**

The directors present their report with the financial statements of the company for the year ended 30 June 2016.

DIVIDENDS

The total distribution of dividends for the year ended 30 June 2016 will be £250,236.

RESEARCH AND DEVELOPMENT

The Company undertakes research and development activities in order to remain at the forefront of technical advances in the industry.

DIRECTORS

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

Miss B G Jepson
J Hartley
P G Jepson

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). 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

AUDITORS

The auditors, Stephen Allen & Co. Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



P G Jepson - Director

26 January 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JEPSON & CO LIMITED

We have audited the financial statements of Jepson & Co Limited for the year ended 30 June 2016 on pages five to nineteen. 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 '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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 Strategic Report and the Report of the Directors 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 June 2016 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 Strategic Report and the Report of the Directors 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 Allen (Senior Statutory Auditor)
for and on behalf of Stephen Allen & Co. Ltd
Statutory Auditor
Riverdale
89 Graham Road
Sheffield
South Yorkshire
S10 3GP

26 January 2017

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Notes	2016 £	2015 £
TURNOVER	2	9,490,937	8,974,988
Cost of sales		(6,678,006)	(6,442,720)
GROSS PROFIT		2,812,931	2,532,268
Administrative expenses		(2,189,117)	(1,916,707)
		623,814	615,561
Other operating income		55,306	69,802
OPERATING PROFIT	4	679,120	685,363
Income from fixed asset investments	5	100,000	-
Interest receivable and similar income		69,587	83,253
		848,707	768,616
Amounts written off investments	6	(43,000)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		805,707	768,616
Tax on profit on ordinary activities	7	(104,196)	(205,533)
PROFIT FOR THE FINANCIAL YEAR		701,511	563,083
OTHER COMPREHENSIVE INCOME			
Revaluation gain from property		-	113,051
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		-	113,051
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		701,511	676,134

JEPSON & CO LIMITED (REGISTERED NUMBER: 00112990)

**STATEMENT OF FINANCIAL POSITION
30 JUNE 2016**

	Notes	2016 £	2015 £
FIXED ASSETS			
Intangible assets	10	198,174	313,266
Tangible assets	11	1,107,270	1,155,760
Investments	12	4,394,260	4,394,260
Investment property	13	1,330,000	1,330,000
		<u>7,029,704</u>	<u>7,193,286</u>
CURRENT ASSETS			
Stocks	14	526,350	589,000
Debtors	15	2,092,277	1,988,065
Investments	16	549,439	492,231
Cash at bank and in hand		5,067,191	4,671,786
		<u>8,235,257</u>	<u>7,741,082</u>
CREDITORS			
Amounts falling due within one year	17	(1,365,258)	(1,254,646)
NET CURRENT ASSETS		<u>6,869,999</u>	<u>6,486,436</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		13,899,703	13,679,722
CREDITORS			
Amounts falling due after more than one year	18	(4,685,827)	(4,917,121)
PROVISIONS FOR LIABILITIES	19	(228,935)	(228,935)
NET ASSETS		<u>8,984,941</u>	<u>8,533,666</u>
CAPITAL AND RESERVES			
Called up share capital	20	10,060	10,060
Revaluation reserve	21	1,144,677	1,144,677
Capital redemption reserve	21	33,609	33,609
Retained earnings	21	7,796,595	7,345,320
SHAREHOLDERS' FUNDS		<u>8,984,941</u>	<u>8,533,666</u>

The financial statements were approved by the Board of Directors on 26 January 2017 and were signed on its behalf by:


P G Jepson - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 July 2014	10,060	6,985,692	1,031,626	33,609	8,060,987
Changes in equity					
Dividends	-	(203,455)	-	-	(203,455)
Total comprehensive income	-	563,083	113,051	-	676,134
Balance at 30 June 2015	10,060	7,345,320	1,144,677	33,609	8,533,666
Changes in equity					
Dividends	-	(250,236)	-	-	(250,236)
Total comprehensive income	-	701,511	-	-	701,511
Balance at 30 June 2016	10,060	7,796,595	1,144,677	33,609	8,984,941

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 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 exemptions 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;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about Jepson & Co Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Jepson Holdings Ltd, a company registered in England and Wales.

Changes in accounting policies

The accounting policy on goodwill was amended in order to comply with FRS102. Previously no amortisation of goodwill was made. In order to comply with FRS 102, goodwill is now being amortised, with a FRS102 transitional adjustment disclosed in the accounts.

Deferred tax has been recognised on the revaluation reserve in order to comply with FRS102. A transitional adjustment is shown within the accounts.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The company recognises revenue when the significant risks and rewards of ownership of the inventory have been transferred to the customer. For goods this is at the point of shipment.

Rental Income

Rental income generated from the investment properties is included within the accounts on an accruals basis.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2013, is being amortised evenly over its estimated useful life of five years.

Tangible fixed assets

Tangible fixed assets are initially stated at cost and subsequently measured at cost less depreciation and any provision for impairment.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:-

Freehold Property	4% on open market value
Plant and machinery	15% reducing balance
	33.3% on cost
Computer equipment	20% on cost
	33.3% on cost
Motor vehicles	25% on reducing balance

Investment property

Investment property is stated at the fair value.

Stocks

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016

1. ACCOUNTING POLICIES - continued**Deferred tax**

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Once the contributions have been paid the company has no further payment obligations.

Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements and paid holiday arrangements. The short term benefits such as holiday pay are recognised as an expense in the period in which the service is received. Bonus costs are recognised in the profit and loss account in the period to which they relate.

Fixed asset investments.

Fixed asset investments are stated at cost less provision for diminution in value, if deemed appropriate.

Current tax

Current tax is recognised in respect of the profit / loss generated in the accounting period, subject to adjustments for income and expenses that are not subject to corporation tax. This is recognised within the financial period.

Current asset investments

Current Asset Investments in bonds are included at their cost price, with bonds that have decreased in value at the year end being recognised by a write down to the market value, which is deemed to be the fair value. Any bonds that have increased in value compared to the original cost are not recognised until the bond expires, in order to be prudent. The market value of the total investment in bonds is disclosed in the notes to the accounts.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2016 £	2015 £
UK Sales	8,237,606	7,782,163
Export Sales	1,253,331	1,192,825
	<u>9,490,937</u>	<u>8,974,988</u>

3. STAFF COSTS

	2016 £	2015 £
Wages and salaries	1,725,198	1,612,451
Social security costs	177,840	152,399
Other pension costs	35,733	31,288
	<u>1,938,771</u>	<u>1,796,138</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016

3. STAFF COSTS - continued

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

	2016	2015
Production	34	34
Management and Admin	26	26
Directors	3	3
	<u>63</u>	<u>63</u>

PENSION COSTS

	2016 £	2015 £
Contributions payable by the company for the year		
Staff	35,733	31,288
Directors	<u>2,370</u>	<u>2,482</u>

4. OPERATING PROFIT

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

	2016 £	2015 £
Depreciation - owned assets	205,900	198,104
Loss/(profit) on disposal of fixed assets	12,368	(144,238)
Goodwill amortisation	115,092	115,083
Auditors' remuneration	17,000	17,000
Foreign exchange differences	<u>29,168</u>	<u>44,945</u>
Directors' remuneration	<u>106,207</u>	<u>147,461</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

5. INCOME FROM FIXED ASSET INVESTMENTS

	2016 £	2015 £
FII Dividend received	<u>100,000</u>	<u>-</u>

6. AMOUNTS WRITTEN OFF INVESTMENTS

	2016 £	2015 £
Devaluation of investment in bonds	<u>43,000</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016

7. 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	104,196	182,923
Deferred tax	-	22,610
Tax on profit on ordinary activities	<u>104,196</u>	<u>205,533</u>

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	<u>805,707</u>	<u>768,616</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.751%)	161,141	159,496
Effects of:		
Expenses not deductible for tax purposes	2,348	2,702
Income not taxable for tax purposes	(20,000)	-
Depreciation in excess of capital allowances	12,550	65
Adjustments to tax charge in respect of previous periods	(50,291)	43,270
fixed assets		
Research and development	(10,152)	-
Devaluation in bonds	8,600	-
Total tax charge	<u>104,196</u>	<u>205,533</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 30 June 2016.

	Gross £	2015 Tax £	Net £
Revaluation gain from property	113,051	-	113,051
	<u>113,051</u>	<u>-</u>	<u>113,051</u>

8. DIVIDENDS

	2016 £	2015 £
Ordinary shares of £1 each		
Interim	<u>250,236</u>	<u>203,455</u>

9. INCOME FROM FIXED ASSET INVESTMENTS

The company receives rental income on the investment properties and the total income for the year of £55,306 (2015 - £69,802) is shown in the trading and profit and loss account net of the expenses incurred in respect of those properties.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016

10. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 July 2015	
and 30 June 2016	575,435
AMORTISATION	
At 1 July 2015	262,169
Amortisation for year	115,092
At 30 June 2016	377,261
NET BOOK VALUE	
At 30 June 2016	198,174
At 30 June 2015	313,266

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Computer equipment £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 July 2015	700,000	2,462,534	391,269	395,969	3,949,772
Additions	-	160,112	20,442	131,621	312,175
Disposals	-	-	(207,116)	(132,845)	(339,961)
At 30 June 2016	700,000	2,622,646	204,595	394,745	3,921,986
DEPRECIATION					
At 1 July 2015	-	2,290,128	326,733	177,151	2,794,012
Charge for year	28,000	56,647	48,581	72,672	205,900
Eliminated on disposal	-	-	(207,116)	(73,094)	(280,210)
Impairments	-	95,014	-	-	95,014
At 30 June 2016	28,000	2,441,789	168,198	176,729	2,814,716
NET BOOK VALUE					
At 30 June 2016	672,000	180,857	36,397	218,016	1,107,270
At 30 June 2015	700,000	172,406	64,536	218,818	1,155,760

The impairment of the plant and machinery has arisen due to the ageing of some of the machinery and new technology that has been introduced has replaced some of the machines.

Cost or valuation at 30 June 2016 is represented by:

	Freehold property £	Plant and machinery £	Computer equipment £	Motor vehicles £	Totals £
Valuation in 2002	56,632	-	-	-	56,632
Valuation in 2010	402,176	-	-	-	402,176
Valuation in 2015	(20,000)	-	-	-	(20,000)
Cost	261,192	2,622,646	204,595	394,745	3,483,178
	700,000	2,622,646	204,595	394,745	3,921,986

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016

11. TANGIBLE FIXED ASSETS - continued

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2016 £	2015 £
Cost	<u>261,192</u>	<u>261,192</u>

Freehold land and buildings were valued on an open market basis on 29 July 2015 by SMC Chartered Surveyors.

The freehold land and buildings valued on 29 July 2015 are located at 44 East Bank Road, Sheffield, S2 3QN.

12. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 July 2015 and 30 June 2016	<u>4,394,260</u>
NET BOOK VALUE	
At 30 June 2016	<u>4,394,260</u>
At 30 June 2015	<u>4,394,260</u>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Degron Limited

Country of incorporation: Great Britain
Nature of business: Dormant

	% holding	2016 £	2015 £
Class of shares: Ordinary	50.00		
Aggregate capital and reserves		<u>225,466</u>	<u>225,466</u>

Kenric Plastics Ltd

Country of incorporation: Great Britain
Nature of business: Dormant

	% holding	2016 £	2015 £
Class of shares: Ordinary	99.00		
Aggregate capital and reserves		<u>200</u>	<u>200</u>

National Numbers Ltd

Country of incorporation: Great Britain
Nature of business: Selling of cherished number plates

	% holding	2016 £	2015 £
Class of shares: Ordinary shares	100.00		
Aggregate capital and reserves		<u>4,982,867</u>	<u>4,858,858</u>
Profit for the year		<u>224,009</u>	<u>308,604</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016

13. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 July 2015 and 30 June 2016	1,330,000
NET BOOK VALUE	
At 30 June 2016	1,330,000
At 30 June 2015	1,330,000

Cost or valuation at 30 June 2016 is represented by:

	£
Valuation in 2002	180,000
Valuation in 2010	725,190
Valuation in 2014	(337,819)
Cost	762,629
	1,330,000

The investment properties of the company were valued individually on an open market basis on:-

On 5 November 2014, Unit 2 Meynell Road, Darlington, DL3 0YQ was valued by Carver Commercial Chartered Surveyors & Property Consultants.

On 22 July 2014, Unit 1, Gateway Business Park, London, SE28 0EZ was valued by Hindwoods Chartered Surveyors.

On 20 February 2015, Flat 6, Golden Gates, 1 Ferry Way, Sandbanks, Poole, BH13 7QN was valued by Smith Robinson Higley Chartered Surveyors.

On 20 October 2014, 39A and 39B Pine Road, Winton, Bournemouth BH9 1LT was valued by Nettleship Sawyer Chartered Surveyors.

On 28 August 2014, 1022 Dumbarton Road, Whiteinch, Glasgow, G14 9UL was valued by DM Hall Chartered Surveyors.

14. STOCKS

	2016 £	2015 £
Raw materials	403,030	460,950
Finished goods	123,320	128,050
	526,350	589,000

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	1,980,150	1,940,634
Other debtors	20,603	-
Prepayments and accrued income	91,524	47,431
	2,092,277	1,988,065

16. CURRENT ASSET INVESTMENTS

	2016 £	2015 £
Investment in Bonds	549,439	492,231

The market value of the current asset investments at the year end was £573,310. One of the investments has decreased in value and has been written down. The other bonds are included at cost which is deemed to show the fair value of the investments, with gains not being recognised until they are realised.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	696,534	655,391
Tax	17,466	102,824
Social security and other taxes	249,181	212,856
Other creditors	26,509	29,422
Accruals and deferred income	375,568	254,153
	<u>1,365,258</u>	<u>1,254,646</u>

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

	2016 £	2015 £
Amounts owed to group undertakings	<u>4,685,827</u>	<u>4,917,121</u>

19. PROVISIONS FOR LIABILITIES

	2016 £	2015 £
Deferred tax	<u>228,935</u>	<u>228,935</u>
		Deferred tax £
Balance at 1 July 2015		228,935
Decelerated Capital Allowance		
Balance at 30 June 2016		<u>228,935</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
10,000	Ordinary	£1	10,000	10,000
10	A Ordinary	£1	10	10
40	B Ordinary	£1	40	40
10	C Ordinary	£1	10	10
			<u>10,060</u>	<u>10,060</u>

99.4% of the share capital is held by Jepson Holdings Limited, a company incorporated in Great Britain, which is the ultimate holding company.

21. RESERVES

	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 July 2015	7,345,320	1,144,677	33,609	8,523,606
Profit for the year	701,511			701,511
Dividends	(250,236)			(250,236)
At 30 June 2016	<u>7,796,595</u>	<u>1,144,677</u>	<u>33,609</u>	<u>8,974,881</u>

22. CONTINGENT LIABILITIES

There are no contingent liabilities for this company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2016

23. CAPITAL COMMITMENTS

	2016 £	2015 £
Contracted but not provided for in the financial statements	<u>50,415</u>	<u>58,081</u>

24. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Entities with control, joint control or significant influence over the entity

	2016 £	2015 £
Amount due to related party	<u>2,050,708</u>	<u>2,050,708</u>

Related party transactions with National Numbers Ltd are not included due to it being a 100% subsidiary.

The company does not deem it necessary to discount any loan balances to reflect that no interest has been charged on any loans between the group companies.

25. ULTIMATE CONTROLLING PARTY

The controlling party is Jepsons Holdings Ltd, a company incorporated in England & Wales.

The ultimate control is exercised by the Trustees of the G E Jepson Discretionary Settlement and the G E Jepson 1982 Settlement who control all the voting ordinary share capital of that company.

26. FIRST YEAR ADOPTION

As a result of adopting FRS102, the following adjustments were required to the previous years financial statements:-

Goodwill is now being written off over 5 years on all business acquisitions. Previously one of the goodwill amounts was not being amortised. This change to comply with FRS102 has led to the reconciliation of equity at the date of transition requiring an amendment for 1 years amortisation. The reconciliation of equity for the year to 30th June 2015 has been amended to reflect an additional years amortisation.

Under FRS102 deferred tax needs to be provided for on the revaluation reserve balance. This change to comply with FRS102 has led to the reconciliation of equity at the date of transition requiring an amendment for the revaluation reserve at that point. The reconciliation of equity for the year to 30th June 2015 has been amended to reflect the additional tax required due to a change in the revaluation reserve during the year.

Other transitional adjustments such as an accrual for holiday pay were considered and discussed with the directors, however no adjustment was deemed to be necessary.

Transitional relief

On transition to FRS 102, the company has taken advantage of the following transitional relief:

- to use a previous GAAP revaluation as deemed cost on an investment property;
- to measure investment in subsidiaries, associates and joint ventures at cost determined in accordance with deemed cost;

RECONCILIATION OF EQUITY
1 JULY 2014
(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets	26	527,436	(99,087)	428,349
Tangible assets		1,073,796	-	1,073,796
Investments		4,569,260	-	4,569,260
Investment property		1,330,000	-	1,330,000
		<u>7,500,492</u>	<u>(99,087)</u>	<u>7,401,405</u>
CURRENT ASSETS				
Stocks		622,488	-	622,488
Debtors		1,878,377	-	1,878,377
Investments		492,231	-	492,231
Cash at bank and in hand		4,629,209	-	4,629,209
		<u>7,622,305</u>	<u>-</u>	<u>7,622,305</u>
CREDITORS				
Amounts falling due within one year		(1,490,409)	-	(1,490,409)
NET CURRENT ASSETS		<u>6,131,896</u>	<u>-</u>	<u>6,131,896</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		13,632,388	(99,087)	13,533,301
CREDITORS				
Amounts falling due after more than one year		(5,265,989)	-	(5,265,989)
PROVISIONS FOR LIABILITIES	26	-	(206,325)	(206,325)
NET ASSETS		<u>8,366,399</u>	<u>(305,412)</u>	<u>8,060,987</u>
CAPITAL AND RESERVES				
Called up share capital		10,060	-	10,060
Revaluation reserve		1,031,626	-	1,031,626
Capital redemption reserve		33,609	-	33,609
Retained earnings		7,291,104	(305,412)	6,985,692
SHAREHOLDERS' FUNDS		<u>8,366,399</u>	<u>(305,412)</u>	<u>8,060,987</u>

RECONCILIATION OF EQUITY - continued
30 JUNE 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets	26	511,440	(198,174)	313,266
Tangible assets		1,155,760	-	1,155,760
Investments		4,394,260	-	4,394,260
Investment property		1,330,000	-	1,330,000
		<u>7,391,460</u>	<u>(198,174)</u>	<u>7,193,286</u>
CURRENT ASSETS				
Stocks		589,000	-	589,000
Debtors		1,988,065	-	1,988,065
Investments		492,231	-	492,231
Cash at bank and in hand		4,671,786	-	4,671,786
		<u>7,741,082</u>	<u>-</u>	<u>7,741,082</u>
CREDITORS				
Amounts falling due within one year		(1,254,646)	-	(1,254,646)
NET CURRENT ASSETS		<u>6,486,436</u>	<u>-</u>	<u>6,486,436</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		13,877,896	(198,174)	13,679,722
CREDITORS				
Amounts falling due after more than one year		(4,917,121)	-	(4,917,121)
PROVISIONS FOR LIABILITIES	26	-	(228,935)	(228,935)
NET ASSETS		<u>8,960,775</u>	<u>(427,109)</u>	<u>8,533,666</u>
CAPITAL AND RESERVES				
Called up share capital		10,060	-	10,060
Revaluation reserve		1,144,677	-	1,144,677
Capital redemption reserve		33,609	-	33,609
Retained earnings		7,772,429	(427,109)	7,345,320
SHAREHOLDERS' FUNDS		<u>8,960,775</u>	<u>(427,109)</u>	<u>8,533,666</u>

**RECONCILIATION OF PROFIT
FOR THE YEAR ENDED 30 JUNE 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	8,974,988	-	8,974,988
Cost of sales	(6,442,720)	-	(6,442,720)
GROSS PROFIT	2,532,268	-	2,532,268
Administrative expenses	(1,817,620)	(99,087)	(1,916,707)
Other operating income	69,802	-	69,802
OPERATING PROFIT	784,450	(99,087)	685,363
Interest receivable and similar income	83,253	-	83,253
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	867,703	(99,087)	768,616
Tax on profit on ordinary activities	(182,923)	(22,610)	(205,533)
PROFIT FOR THE FINANCIAL YEAR	684,780	(121,697)	563,083

Notes to the reconciliation of profit or loss

The reconciliation of profit shows the impact of one years goodwill amortisation that is now required as a result of FRS102. Prior to FRS 102, the goodwill that arose from one of the business acquisitions was not written down and was shown at the original amount paid for the business.

Tax shows an additional charge as a transitional adjustment due to deferred tax on the revaluation reserve now being required to be provided for under FRS102.