

Dennis Williams Limited

Registered number: 00559042

Abbreviated accounts

For the year ended 31 December 2013

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DENNIS WILLIAMS LIMITED

COMPANY INFORMATION

Directors	Mrs P B Lees Mr A R Lees
Company secretary	P B Lees
Registered number	00559042
Registered office	9 Kingsmark Freeway Euroway Trading Estate Bradford BD12 7HW
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditor Mazars House Gelderd Road Gildersome Leeds LS27 7JN
Bankers	National Westminster Bank plc 7 Hustlergate Bradford West Yorkshire BD1 1PP

DENNIS WILLIAMS LIMITED

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DENNIS WILLIAMS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

Directors' responsibilities statement

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 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 judgments and accounting 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;
- 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.

Principal activities

The principal activity of the company continued to be that of a wholesale supplier of hairdressing and beauty sundries and equipment.

Results

The profit for the year, after taxation, amounted to £140,417 (2012 - £234,547).

Directors

The directors who served during the year were:

Mrs P B Lees

Mr A R Lees (appointed 12 August 2013)

Future developments

The directors are confident that the financial and operational strength of the company will enable further growth within its existing sectors.

Going Concern

The use of the going concern basis of accounting is appropriate because, in the opinion of the directors, there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern. The directors have considered a period in excess of twelve months

DENNIS WILLIAMS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

from the date of approval of these financial statements in making their assessment.

Disclosure of information to auditors


Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29th September 2014 and signed on its behalf.



Mrs P B Lees
Director

DENNIS WILLIAMS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Introduction

The directors present their strategic report for Dennis Williams Limited for the year ended 31 December 2013.

Business review

The company continued its principal activity of the wholesale supplier of hairdressing and beauty sundries and equipment through a number of wholesale outlets.

Development and financial performance during the year

Key performance indicators

Management use a range of performance measures to monitor and manage the business. Some of the key performance measures are set out below.

	31 December 2013	31 December 2012
Turnover	£8,684,562	£9,061,716
Gross Profit	£2,820,789	£2,751,104
Gross Profit Margin	32.5%	30.4%
Operating Profit	£214,825	£335,231

The company has invested significantly in various new projects in 2013 and the benefits of these investments are expected to be realised in 2014 and beyond. Briefly, these investments include:

- A new site in High Wycombe in Q4 2013;
- A new company catalogue; and
- A new company website (www.dennis-williams.co.uk).

Financial position at the reporting date

The balance sheet shows that the company's net assets have increased from £1.08m to £1.22m during the year.

Events since the balance sheet date.

On 8 May 2014, Simon Allen resigned as a director and the company arranged to purchase his shares for a total consideration of £200,000. The board would like to thank Simon for his contribution to the company over the past years and wish him well in his future career.

DENNIS WILLIAMS LIMITED

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

Principal risks and uncertainties

There are risks facing the business from competitors operating in the same geographic locations who principally compete on price. Also the general economic downturn has meant that customers may seek alternative supplies to reduce costs. The directors mitigate these risks by maintaining excellent customer relationships and ensuring the range of products available to customers is appropriate and priced competitively.

Financial Risk Management

Financial risks are managed through strict internal management controls and accurate and timely management information. Stock levels and margins are also closely monitored by management to identify potential issues and ensure that products are marketed appropriately.

This report was approved by the board on 29th September 2014 and signed on its behalf.

Mrs P B Lees
Director



DENNIS WILLIAMS LIMITED

INDEPENDENT AUDITORS' REPORT TO DENNIS WILLIAMS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 6 to 18 together with the financial statements of Dennis Williams Limited for the year ended 31 December 2013 prepared under section 396 of the Companies Act 2006.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006.

It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you. This report, including our opinion, has been prepared for and only for the company's members as a body. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in this 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 work, for this report, or for the opinions we have formed.

Basis of opinion

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

The scope of our work for the purpose of this report does not include examining events occurring after the date of our auditors' report on the full financial statements.

Opinion

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



John Holroyd (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Mazars House
Gelderd Road
Gildersome
Leeds
LS27 7JN

Date: 29th September 2014

DENNIS WILLIAMS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 £	2012 £
Turnover	1	8,684,562	9,061,716
Gross profit		3,003,453	2,942,693
Administrative expenses		(2,788,628)	(2,607,462)
Operating profit	2	214,825	335,231
Interest receivable and similar income		1,057	916
Interest payable and similar charges	5	(39,959)	(37,160)
Profit on ordinary activities before taxation		175,923	298,987
Tax on profit on ordinary activities	6	(35,506)	(64,440)
Profit for the financial year	14	140,417	234,547

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the profit and loss account.

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

DENNIS WILLIAMS LIMITED

Registered number: 00559042

**ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2013**

	Note	£	2013 £	£	2012 £
Fixed assets					
Tangible assets	7		746,766		250,905
Current assets					
Stocks	8	2,230,925		2,176,705	
Debtors	9	232,732		270,398	
Cash at bank and in hand		372,332		274,224	
			<u>2,835,989</u>	<u>2,721,327</u>	
Creditors: amounts falling due within one year	10	(1,666,776)		(1,677,742)	
Net current assets			<u>1,169,213</u>		<u>1,043,585</u>
Total assets less current liabilities			<u>1,915,979</u>		<u>1,294,490</u>
Creditors: amounts falling due after more than one year	11		(689,636)		(200,000)
Provisions for liabilities					
Deferred tax	12		(8,358)		(16,922)
Net assets			<u>1,217,985</u>		<u>1,077,568</u>
Capital and reserves					
Called up share capital	13		2,000		2,000
Profit and loss account	14		1,215,985		1,075,568
Shareholders' funds	15		<u>1,217,985</u>		<u>1,077,568</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on *29th September 2014*



Mrs P B Lees
Director

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

DENNIS WILLIAMS LIMITED

ABBREVIATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 £	2012 £
Net cash flow from operating activities	16	259,579	353,379
Returns on investments and servicing of finance	17	(38,902)	(36,244)
Taxation		(58,316)	(47,472)
Capital expenditure and financial investment	17	(578,475)	(91,669)
Cash (outflow)/inflow before financing		(416,114)	177,994
Financing	17	514,222	(1,519)
Increase in cash in the year		98,108	176,475

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 £	2012 £
Increase in cash in the year	98,108	176,475
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(514,222)	1,519
Movement in net debt in the year	(416,114)	177,994
Net funds at 1 January 2013	274,224	96,230
Net (debt)/funds at 31 December 2013	(141,890)	274,224

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

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards and on a going concern basis.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Leasehold improvements	-	15% straight line
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	15% reducing balance
Office equipment	-	15% reducing balance

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.6 Stocks

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

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. Accounting policies (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Operating profit

The operating profit is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the company	78,108	72,161
- held under finance leases	4,250	-
Auditors' remuneration	8,250	7,000
Operating lease rentals:		
- plant and machinery	11,342	10,067
- other operating leases	255,280	255,239
Loss on sale of tangible assets	256	2,665

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

3. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2013 £	2012 £
Wages and salaries	1,501,436	1,479,473
Social security costs	126,909	126,903
Other pension costs	18,879	1,549
	<u>1,647,224</u>	<u>1,607,925</u>

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

	2013 No.	2012 No.
Management	13	13
Administrative	5	5
Sales	52	50
	<u>70</u>	<u>68</u>

4. Directors' remuneration

	2013 £	2012 £
Remuneration	<u>192,611</u>	<u>169,522</u>
Company pension contributions to defined contribution pension schemes	<u>18,879</u>	<u>1,549</u>

During the year retirement benefits were accruing to 1 director (2012 - 1) in respect of defined contribution pension schemes.

5. Interest payable

	2013 £	2012 £
On other loans	39,759	37,160
On hire purchase contracts	200	-
	<u>39,959</u>	<u>37,160</u>

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

6. Taxation

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	44,070	58,317
Adjustments in respect of prior periods	-	(354)
Total current tax	<u>44,070</u>	<u>57,963</u>
Deferred tax (see note 12)		
Origination and reversal of timing differences	(8,564)	6,477
Tax on profit on ordinary activities	<u>35,506</u>	<u>64,440</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 20% (2012 - 24%). The differences are explained below:

	2013 £	2012 £
Profit on ordinary activities before tax	<u>175,923</u>	<u>298,987</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 24%)	35,185	71,757
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5,861	671
Difference between capital allowances and depreciation	3,024	422
Adjustments to tax charge in respect of prior periods	-	(354)
Other differences leading to an increase (decrease) in the tax charge	-	1,533
Marginal relief	-	(16,066)
Current tax charge for the year (see note above)	<u>44,070</u>	<u>57,963</u>

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

7. Tangible fixed assets

	Freehold property £	Leashold improvements £	Other fixed assets £	Total £
Cost				
At 1 January 2013	-	205,756	693,236	898,992
Additions	530,653	-	66,622	597,275
Disposals	-	-	(45,610)	(45,610)
At 31 December 2013	530,653	205,756	714,248	1,450,657
Depreciation				
At 1 January 2013	-	143,785	504,302	648,087
Charge for the year	-	27,443	54,915	82,358
On disposals	-	-	(26,554)	(26,554)
At 31 December 2013	-	171,228	532,663	703,891
Net book value				
At 31 December 2013	530,653	34,528	181,585	746,766
At 31 December 2012	-	61,971	188,934	250,905

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2013 £	2012 £
Motor vehicles	12,750	-

8. Stocks

	2013 £	2012 £
Finished goods and goods for resale	2,230,925	2,176,705

9. Debtors

	2013 £	2012 £
Trade debtors	157,158	168,066
Other debtors and prepayments	75,574	102,332
	232,732	270,398

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

10. Creditors: Amounts falling due within one year

	2013 £	2012 £
Bank loan	19,253	-
Net obligations under hire purchase contracts	5,333	-
Trade creditors	1,039,387	988,914
Corporation tax	44,070	58,317
Other taxation and social security	62,806	209,341
Other creditors	495,927	421,170
	<u>1,666,776</u>	<u>1,677,742</u>

A debenture dated 8 February 2001 is in place which is secured over all assets of the company in favour of National Westminster Bank plc.

The bank loan is secured by way of a first legal charge dated 20 December 2013 over the company's freehold property.

Obligations under hire purchase contracts are secured on the related assets.

11. Creditors: Amounts falling due after more than one year

	2013 £	2012 £
Bank loan	480,747	-
Net obligations under hire purchase contracts	8,889	-
Other creditors	200,000	200,000
	<u>689,636</u>	<u>200,000</u>

Included within the above are amounts falling due as follows:

	2013 £	2012 £
Between one and two years		
Bank loans	19,767	-
	<u>19,767</u>	<u>-</u>
Between two and five years		
Bank loans	84,494	-
	<u>84,494</u>	<u>-</u>
Over five years		
Bank loans	376,486	-
	<u>376,486</u>	<u>-</u>

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

11. Creditors: Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	2013 £	2012 £
Repayable by instalments	376,486	-

The bank loan is repayable by monthly instalments and is due to mature in December 2033. Interest is payable at 2.14% above the Bank of England base rate.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2013 £	2012 £
Between one and five years	8,889	-

A debenture dated 8 February 2001 is in place which is secured over all assets of the company in favour of National Westminster Bank plc.

The bank loan is secured by way of a first legal charge dated 20 December 2013 over the company's freehold property.

Obligations under hire purchase contracts are secured on the related assets.

12. Deferred taxation

	2013 £	2012 £
At beginning of year	16,922	10,445
Other movement (P&L)	(8,564)	6,477
At end of year	8,358	16,922

The provision for deferred taxation is made up as follows:

	2013 £	2012 £
Accelerated capital allowances	8,358	16,922

13. Share capital

	2013 £	2012 £
Allotted, called up and fully paid 2,000 Ordinary A shares of £1 each	2,000	2,000

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

14. Reserves

	Profit and loss account £
At 1 January 2013	1,075,568
Profit for the financial year	140,417
	<hr/>
At 31 December 2013	1,215,985
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15. Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Opening shareholders' funds	1,077,568	843,021
Profit for the financial year	140,417	234,547
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Closing shareholders' funds	1,217,985	1,077,568
	<hr/>	<hr/>

16. Net cash flow from operating activities

	2013 £	2012 £
Operating profit	214,825	335,231
Depreciation of tangible fixed assets	82,358	72,161
Loss on disposal of tangible fixed assets	256	2,665
Increase in stocks	(54,220)	(33,800)
Decrease in debtors	37,665	36,263
Decrease in creditors	(21,305)	(59,141)
	<hr/>	<hr/>
Net cash inflow from operating activities	259,579	353,379
	<hr/>	<hr/>

17. Analysis of cash flows for headings netted in cash flow statement

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	1,057	916
Interest paid	(39,759)	(37,160)
Hire purchase interest	(200)	-
	<hr/>	<hr/>
Net cash outflow from returns on investments and servicing of finance	(38,902)	(36,244)
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DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

17. Analysis of cash flows for headings netted in cash flow statement (continued)

	2013 £	2012 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(597,275)	(128,919)
Sale of tangible fixed assets	18,800	37,250
Net cash outflow from capital expenditure	(578,475)	(91,669)
	2013 £	2012 £
Financing		
New secured loans	500,000	-
New finance leases	16,000	-
Repayment of finance leases	(1,778)	(1,519)
Net cash inflow/(outflow) from financing	514,222	(1,519)

18. Analysis of changes in net funds

	1 January 2013 £	Cash flow £	Other non-cash changes £	31 December 2013 £
Cash at bank and in hand	274,224	98,108	-	372,332
Debt:				
Finance leases	-	(14,222)	-	(14,222)
Debts due within one year	-	(19,253)	-	(19,253)
Debts falling due after more than one year	-	(480,747)	-	(480,747)
Net funds	274,224	(416,114)	-	(141,890)

19. Pension commitments

The company contributes to money purchase schemes on behalf of certain employees. The assets of the schemes are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £18,879 (2012 - £1,549). Contributions totalling £17,330 (2012 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

DENNIS WILLIAMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

20. Operating lease commitments

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		2013	Other
	2013	2012		2012
	£	£	£	£
Expiry date:				
Within 1 year	14,850	-	-	6,567
Between 2 and 5 years	98,515	200,815	8,951	-
After more than 5 years	52,105	36,950	-	-
	<u>165,470</u>	<u>237,765</u>	<u>8,951</u>	<u>6,567</u>

21. Controlling party

The ultimate controlling party is Mrs P B Lees (director) due to her majority shareholding.