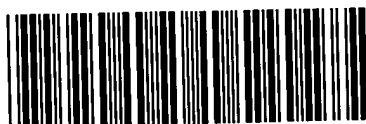


GODFREY-SYRETT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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GODFREY-SYRETT LIMITED

COMPANY INFORMATION

Directors	W J Rusga S F Riddell N Tweddle C G Conyers Sir S J Day D A Greenwell Lady A B Wakeham G H Rance D J Q Greenwell C J Billingham D Mitchell D J Hall
Secretary	C J Billingham
Company number	00751094
Registered office	Planet Place Newcastle Upon Tyne Tyne and Wear NE12 6DY
Auditor	Deloitte LLP Chartered Accountants and Statutory Auditor One Trinity Gardens Broad Chare Newcastle upon Tyne United Kingdom NE1 2HF
Bankers	HSBC Maingate Kingsway North Team Valley Gateshead NE11 0BE
Solicitors	Bond Dickinson St Ann's Wharf 112 Quayside Newcastle upon Tyne NE99 1SB

GODFREY-SYRETT LIMITED

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GODFREY-SYRETT 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.

Business Review and Principal Activities

The principal activities of the group, of which Godfrey-Syrett Limited is the sole trading company, are the design, manufacture and sale of office and educational furniture in the UK. There have not been any significant changes in the group's principal activities in the year under review.

The group continues to invest in product design and development of new products and during the year successfully launched several new ranges. The directors regard such investment as an essential factor in its continuing success in the medium and longer term.

Significant investment was also made in the company's distribution and delivery capabilities with the purchase of a new distribution centre. The directors believe that this investment gives the business capacity to meet future demands and better serve our customer base. During 2015 a number of overlap costs were incurred from the transfer from the existing distribution centre and this resulted in a small drop in Profit Before Tax from 4.6% to 4.04%.

The directors continue to view management of working capital as critical to the success and long term future viability and have established this as a strategic KPI. Calculated by comparing the sum of stock and trade debtors against annualised revenue for the last 4 months of the year, the directors are able to report that the business has maintained its working capital ratio throughout the trading period to its target of 27%, as last year.

Principal Risks and Uncertainties

It was identified that competitive pressure in the UK and risk of non-payment are the major continuing risks for the business. Wherever possible the company tries to differentiate from its competitors by providing added value services to its customers, a one stop shop service and by maintaining strong relationships with customers.

By focusing on working capital management, the company has established significant financial resources and also has additional unutilised overdraft facilities.

Current trading is strong and coupled with a solid order book and a robust prospect pipeline the directors believe that the business is well placed to manage its business risks.

All sales are made within the UK and there is minimal foreign exchange exposure. The company does however import some products from the Far East and Eastern Europe and where necessary minimises exchange risk by entering into currency forward contracts. The Group is exposed to interest rate risk on its debt which bears interest at variable rates based on the Bank of England base rate. Increases in these rates result in increased interest expense and increased interest payment.

Future Prospects

It is essential that the company is not dependent on any one sector or customer. The company has been successful in providing products and services to a number of markets, namely health, education, defence and commercial. The company continues to proactively make improvements to its products, internal processes, marketing materials and sales infrastructure. As such the directors are confident that we will be able to successfully increase penetration into our existing markets and see no requirement to enter new markets in the next 12 months.

The company is working closely with key supply chain partners to reduce its overall environmental impact. This is being achieved through responsible sourcing of raw materials from local sustainable sources, which in turn is driving the true carbon footprint to what the directors believe, is one of the lowest within the industry.

The business pro-actively engages with our workforce to support a number of local charities. This has been viewed as extremely beneficial for all parties and is core to our corporate beliefs.

GODFREY-SYRETT LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Financial risk

Financial risk management objectives and policies

The Group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The Group does not use derivative financial instruments for speculative purposes.

Cash flow risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group uses foreign exchange forward contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance.

Approved by the board of directors and signed on behalf of the board


.....
C J Billingham

Director

..... 28/04/16

GODFREY-SYRETT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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

Principal activities

The principal activities of the group, of which Godfrey-Syrett Limited is the sole trading company, are the design, manufacture and sale of office and educational furniture in the UK. There have not been any significant changes in the group's principal activities in the year under review.

Directors

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

W J Rusga
S F Riddell
N Tweddle
C G Conyers
Sir S J Day
D A Greenwell
Lady A B Wakeham
G H Rance
D J Q Greenwell
C J Billingham
D Mitchell
D J Hall

(Appointed 11 January 2016)

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £518,955 (2014: £214,677). The directors do not recommend payment of a final dividend.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditors

The auditors, Deloitte LLP, have expressed their willingness to continue in office as auditor and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

GODFREY-SYRETT LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

Director's responsibilities statement

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, 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 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 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.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial instruments and future developments.

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 auditor is 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 auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements. Further detail is set out in note 1 to the financial statements.

Approved by the board of directors and signed on behalf of the board


C J Billingham

Director

28/04/16

GODFREY-SYRETT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODFREY-SYRETT LIMITED

We have audited the financial statements of Godfrey-Syrett Limited for the year ended 31 December 2015 which comprise the Income Statement and Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 30. 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 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 auditors

As explained more fully in the Directors' Responsibilities Statement 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.

GODFREY-SYRETT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GODFREY-SYRETT LIMITED

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.

K. Darlison

Kate Darlison FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP

**Chartered Accountants and
Statutory Auditor**

One Trinity Gardens
Broad Chare
Newcastle upon Tyne
United Kingdom
NE1 2HF

GODFREY-SYRETT LIMITED

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	3	26,592,622	25,657,688
Cost of sales		(20,223,596)	(19,026,654)
Gross profit		6,369,026	6,631,034
Distribution costs		(3,441,929)	(3,936,520)
Administrative expenses		(1,796,532)	(1,424,895)
Operating profit	4	1,130,565	1,269,619
Interest receivable and similar income	7	448	404
Interest payable and similar charges	8	(57,069)	(99,295)
Profit before taxation		1,073,944	1,170,728
Taxation	9	15,609	(244,617)
Profit for the financial year	25	1,089,553	926,111
Total comprehensive income for the year		1,089,553	926,111

The profit and loss account has been prepared on the basis that all operations are continuing operations.

GODFREY-SYRETT LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Intangible assets	11	-		10,000	
Tangible assets	12	4,463,684		1,737,570	
Investments	13	109,008		109,008	
		<u>4,572,692</u>		<u>1,856,578</u>	
Current assets					
Stocks	15	2,557,251		2,249,484	
Debtors	16	5,957,571		5,302,768	
Cash at bank and in hand		26,829		7,551	
		<u>8,541,651</u>		<u>7,559,803</u>	
Creditors: amounts falling due within one year	19	<u>(6,631,870)</u>		<u>(5,823,770)</u>	
Net current assets		<u>1,909,781</u>		<u>1,736,033</u>	
Total assets less current liabilities		<u>6,482,473</u>		<u>3,592,611</u>	
Creditors: amounts falling due after more than one year	20	(2,300,061)		(42,426)	
Provisions for liabilities	22	(71,687)		(10,058)	
Net assets		<u>4,110,725</u>		<u>3,540,127</u>	
Capital and reserves					
Called up share capital	24	38,500		38,500	
Profit and loss reserves	25	4,072,225		3,501,627	
Total equity		<u>4,110,725</u>		<u>3,540,127</u>	

The financial statements of Godfrey-Syrett Limited were approved by the board of directors and authorised for issue on 28/04/16 and are signed on its behalf by:


C J Billingham
Director

Company Registration No. 00751094

The prior year balance sheet has been restated under FRS 102 see note 25.

GODFREY-SYRETT LIMITED**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	Called up Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2014		38,500	2,790,193	2,828,693
Profit and total comprehensive income for the year		-	926,111	926,111
Dividends	10	-	(214,677)	(214,677)
Balance at 31 December 2014		38,500	3,501,627	3,540,127
Profit and total comprehensive income for the year		-	1,089,553	1,089,553
Dividends	10	-	(518,955)	(518,955)
Balance at 31 December 2015		38,500	4,072,225	4,110,725

GODFREY-SYRETT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Cash flows from operating activities					
Cash generated from operations	30	1,040,542		539,460	
Interest paid		(57,069)		(99,295)	
Income taxes paid		(68,369)		(222,423)	
Net cash inflow from operating activities		915,104		217,742	
Investing activities					
Purchase of tangible fixed assets		(2,992,509)		(190,622)	
Proceeds on disposal of tangible fixed assets		833		6,802	
Interest received		448		404	
Net cash used in investing activities		(2,991,228)		(183,416)	
Financing activities					
Proceeds of new bank loans		2,250,000		-	
Repayment of bank loans		(137,329)		-	
Payment of finance leases obligations		221,694		44,036	
Dividends paid		(518,955)		(214,677)	
Net cash generated from/(used in) financing activities		1,815,410		(170,641)	
Net decrease in cash and cash equivalents		(260,714)		(136,315)	
Cash and cash equivalents at beginning of year		(433,512)		(297,197)	
Cash and cash equivalents at end of year		(694,226)		(433,512)	
Relating to:					
Cash at bank and in hand		26,829		7,551	
Bank overdrafts included in creditors payable within one year		(721,055)		(441,063)	

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Company information

Godfrey-Syrett Limited is a company limited by shares and is incorporated in England and Wales. The registered office is Planet Place, Newcastle Upon Tyne, Tyne and Wear, NE12 6DY.

1.1 Accounting convention

These financial statements have been prepared in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and 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 £.

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of freehold properties and to include investment properties and certain financial instruments measured at fair value through profit and loss.

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2015. As a result there has been no changes to the prior year profit or equity. As part of considering FRS 102, the directors have reviewed the intercompany balances and have restated the prior year balance of £1,861,670 to due within one year to reflect the actual contractual terms.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated financial statements. In the opinion of the directors the company is entitled to this exemption on the grounds it is a subsidiary undertaking. Therefore, the financial statements present information about the company as an individual entity and not about its group.

Godfrey-Syrett Limited is a wholly owned subsidiary of Godfrey-Syrett (Holdings) Limited and the results of Godfrey-Syrett Limited are included in the consolidated financial statements of Godfrey-Syrett (Holdings) Limited a company registered in England and Wales.

1.2 Going concern

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

The company completed a £2m purchase of a new distribution centre in January 2015. This was funded via working capital and a £2.25m bank loan. The company is not subject to any financial loan covenants on the loan until 31 December 2016.

Furthermore, the company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its resources. The existing banking facility was renewed at the beginning of March 2015 for a further 12 months.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Sale of Goods

The company designs, manufactures and sells office and educational furniture in the UK. Sales of goods are recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods.

Interest and dividends receivable

Interest income is recognised using the effective interest method and dividend income is recognised as the company's right to receive payment is established.

1.4 Intangible fixed assets - licences

Licences have historically been included at cost and are not amortised where the company retains the right for an indefinite renewal of the legal right. Each licence is reviewed annually and where no economic benefit is evident the licence has been fully amortised.

1.5 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:

Freehold buildings	50 years straight line
Plant and machinery	15-25% reducing balance
Fixtures, fittings & equipment	2 years - 6.7 years straight line
Motor vehicles	4 years straight line

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 recognised in the profit and loss account.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

1.6 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

1.7 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost 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. Cost is calculated using the first-in, first-out formula.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 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.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

1.10 Financial assets

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.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

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. The impairment loss 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 when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

1.11 Financial 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.

Derivative financial instruments

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 they are included in a hedging arrangement. The Group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.13 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 profit and loss account 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. Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

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 profit and loss account, 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.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.16 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 profit and loss account for the period.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Stocks

Stocks are valued at the lower cost and net realisable value. Net realisable value includes, where necessary, provisions for slow moving and obsolete stocks. Calculation of these provisions requires judgements to be made, which include forecast consumer demand, the promotional, competitive and economic environment and inventory loss trends.

Recoverability of trade debtors

The group recognises that normal payment terms from certain customers may not be adhered to when assessing recoverability of trade debtors. Credit insurance is in place to mitigate any potential risk.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Tangible Assets

Property, plant and equipment also represent a significant proportion of the asset base of the company being 38.9% (2014 - 29.5%) of the Company's total assets. Therefore the estimates and assumptions made to determine their carrying value and related depreciation are critical to the group's financial position and performance.

Estimation of useful life

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the profit and loss account. The useful lives and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Historically changes in useful lives and residual values have not resulted in material changes to the group's depreciation charge.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

3 Turnover and other revenue

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

	2015 £	2014 £
Turnover		
Sale of goods	26,592,622	25,657,688

	2015 £	2014 £
Other significant revenue		
Interest income	448	404

Turnover analysed by geographical market

	2015 £	2014 £
United Kingdom	26,592,622	25,657,688

4 Operating profit

	2015 £	2014 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	4,930	6,649
Fees payable to the company's auditors for the audit of the company's financial statements	25,000	25,000
Depreciation of owned tangible fixed assets	195,350	172,033
Depreciation of tangible fixed assets held under finance leases	70,670	21,496
Profit on disposal of tangible fixed assets	(458)	(5,689)
Amortisation of intangible assets	10,000	-
Cost of stocks recognised as an expense	14,671,631	14,381,031

The amortisation of intangible assets is included within administration expenses.

Reversals of impairment of stock of £37,553 (2014 : impairment of stock of £136,040) are included within cost of sales.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

5 Employees

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

	2015 Number	2014 Number
Office and management	78	43
Production and sales	131	180
	<u>209</u>	<u>223</u>

Their aggregate remuneration comprised:

	2015 £	2014 £
Wages and salaries	5,450,784	5,767,932
Social security costs	549,015	543,128
Pension costs	154,015	124,641
	<u>6,153,814</u>	<u>6,435,701</u>

6 Directors' remuneration

	2015 £	2014 £
Remuneration for qualifying services	365,981	344,161
Company pension contributions to defined contribution schemes	55,584	42,165
	<u>421,565</u>	<u>386,326</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2014 - 1).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	102,296	96,753
Amounts receivable under long term incentive schemes	-	-
Company pension contributions to defined contribution schemes	43,344	34,123
	<u>145,640</u>	<u>130,876</u>

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

7 Interest receivable and similar income

	2015 £	2014 £
Interest income		
Interest on bank deposits	-	404
Other interest income	448	-
Total income	448	404
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	-	404

8 Interest payable and similar charges

	2015 £	2014 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	49,374	95,955
Interest on finance leases and hire purchase contracts	7,695	3,340
	57,069	99,295

9 Taxation

	2015 £	2014 £
Current tax		
UK corporation tax on profits for the current period	79,247	240,103
Adjustments in respect of prior periods	(156,485)	(14,635)
Total current tax	(77,238)	225,468
Deferred tax		
Origination and reversal of timing differences	61,629	20,578
Changes in tax rates	-	(1,430)
Adjustment in respect of prior periods	-	1
Total deferred tax	61,629	19,149
Total tax (credit)/charge	(15,609)	244,617

The standard rate of tax applied to reported profit on ordinary activities is 20% (2014 : 20.25%). The applicable tax rate has changed following the substantive enactment of the Finance Act 2013. Deferred tax balances at 31 December 2014 and 31 December 2015 are measured at the revised rate of 20%.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

9. Taxation

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2015 £	2014 £
Profit before taxation	1,073,944	1,170,728
Expected tax charge based on a corporation tax rate of 20.07% (2014 - 21.49%)	215,584	251,627
Tax effect of expenses that are not deductible in determining taxable profit	13,277	10,459
Adjustments in respect of prior years	(156,485)	(14,634)
Effect of change in corporation tax rate	(228)	(1,431)
Research and development tax credit	(87,757)	-
Effects of other tax rates/credits	-	(1,404)
Tax (credit)/charge for the year	(15,609)	244,617

There is no expiry date on timing differences.

10. Dividends

	2015 per share	2014 per share	2015 £	2014 £
Amounts recognised as distributions to equity holders:				
Ordinary shares				
Interim paid	13.48	5.58	518,955	214,677

11. Intangible fixed assets

	£
Cost	
At 1 January 2015 and 31 December 2015	10,000
Amortisation and impairment	
At 1 January 2015	-
Amortisation charged for the year	10,000
At 31 December 2015	10,000
Carrying amount	
At 31 December 2015	-
At 31 December 2014	10,000

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

12 Tangible fixed assets

	Freehold buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2015	1,413,473	1,500,908	410,834	34,650	3,359,865
Additions	2,445,082	433,424	114,003	-	2,992,509
Disposals	-	-	-	(2,250)	(2,250)
At 31 December 2015	3,858,555	1,934,332	524,837	32,400	6,350,124
Depreciation and impairment					
At 1 January 2015	187,274	1,191,386	218,318	25,317	1,622,295
Depreciation charged in the year	22,292	134,619	101,390	7,719	266,020
Eliminated in respect of disposals	-	-	-	(1,875)	(1,875)
At 31 December 2015	209,566	1,326,005	319,708	31,161	1,886,440
Carrying amount					
At 31 December 2015	3,648,989	608,327	205,129	1,239	4,463,684
At 31 December 2014	1,226,199	309,522	192,516	9,333	1,737,570

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £70,670 (2014 - £21,496) for the year.

	2015 £	2014 £
Plant and machinery	357,894	84,054

13 Fixed asset investments

	Notes	2015 £	2014 £
Investments in subsidiaries	29	109,008	109,008

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

13 Fixed asset investments

Movements in fixed asset investments

	Shares £
Cost and valuation	
At 1 January 2015 & 31 December 2015	109,008
Carrying amount	
At 31 December 2015	109,008
At 31 December 2014	109,008

14 Financial instruments

	2015 £	2014 £
Carrying amount of financial assets		
Debt instruments measured at undiscounted amount receivable		
Trade receivables net of provision	4,752,714	4,813,128
Other receivables current	1,034,981	5,670
	<u>5,787,695</u>	<u>4,818,798</u>
Equity instruments measured at cost less impairment		
Investments in group undertakings	<u>109,008</u>	<u>109,008</u>
Carrying amount of financial liabilities		
Measured at amortised cost		
Bank loans	2,112,671	-
Finance leases	288,285	66,591
	<u>2,400,956</u>	<u>66,951</u>
Measured at undiscounted amount payable		
Group payables	1,861,670	1,861,670
Bank overdrafts	721,055	441,063
Trade and other payables	3,614,359	2,985,262
	<u>6,197,084</u>	<u>5,287,995</u>

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

15 Stocks

	2015 £	2014 £
Raw materials and consumables	1,108,381	735,505
Work in progress	157,255	54,360
Finished goods and goods for resale	1,291,615	1,459,619
	<u>2,557,251</u>	<u>2,249,484</u>

16 Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Trade debtors	4,752,714	4,813,128
Other debtors	2,536	5,670
Prepayments and accrued income	1,202,321	483,970
	<u>5,957,571</u>	<u>5,302,768</u>

17 Loans and overdrafts

	2015 £	2014 £
Bank overdrafts	721,055	441,063
Bank loans	2,112,671	-
	<u>2,833,726</u>	<u>441,063</u>
Payable within one year	721,055	441,063
Payable after one year	2,112,671	-

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

17 Loans and overdrafts

(continued)

The bank overdraft and long-term loans are secured as follows:-

First Legal Mortgage over the land and buildings of Godfrey-Syrett Limited known as Littleburn Industrial Estate, Langley Moor, Durham.

First Legal Mortgage over the land and buildings of Godfrey-Syrett Limited known as Planet Place, Killingworth, Newcastle upon Tyne.

First Legal Mortgage over the land and buildings of Godfrey-Syrett Limited known as Samson Close, Killingworth, Newcastle upon Tyne.

First Legal Mortgage over the land and buildings of Godfrey-Syrett Limited known as Belmont Industrial Estate, Langley Moor, Durham.

Debenture comprising fixed and floating charges over all the assets and undertaking of Godfrey-Syrett (Holdings) Limited including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future.

Debenture comprising fixed and floating charges over all the assets and undertaking of Godfrey-Syrett (Holdings) Limited including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future.

Unlimited Composite Company Guarantee to be given by Godfrey-Syrett Limited and Godfrey-Syrett (Holdings) Limited to secure all liabilities of each other.

The bank loan of £2,250,000 is for a term of fifteen years from January 2015. Interest on the loan is charged at 1.63% per annum over the Bank of England base rate.

18 Finance lease obligations

	2015 £	2014 £
Future minimum lease payments due under finance leases:		
Within one year	100,895	24,165
In two to five years	187,390	42,426
	<u>288,285</u>	<u>66,591</u>

It is the company's policy to lease certain equipment under finance leases. The average lease term is 3.8 years. The average effective borrowing rate for the year was 5.68%. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

19 Creditors: amounts falling due within one year

	Notes	2015 £	Restated 2014 £
Loans and overdrafts	17	721,055	441,063
Obligations under finance leases	18	100,895	24,165
Trade creditors		2,169,566	2,364,079
Amount due to parent undertaking		35,527	35,527
Amounts due to subsidiary undertakings		1,826,143	1,826,143
Corporation tax payable		79,247	224,854
Other taxation and social security		254,644	286,756
Other creditors		768,540	94,122
Accruals and deferred income		676,253	527,061
		<u>6,631,870</u>	<u>5,823,770</u>

The directors consider that the carrying amount of trade payables approximates to their fair value.

Bank loans and overdrafts are secured by a fixed and floating charge on the company's assets.

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

As described in note 1.1, amounts due to parent and subsidiary undertakings have been reclassified as falling due within one year, on the basis that they are repayable on demand. The amounts were previously disclosed as falling due after more than one year.

20 Creditors: amounts falling due after more than one year

	Notes	2015 £	Restated 2014 £
Loans and overdrafts	17	2,112,671	-
Obligations under finance leases	18	187,390	42,426
		<u>2,300,061</u>	<u>42,426</u>

Bank loans and overdrafts are secured by a fixed and floating charge on the company's assets.

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

21 Provisions for liabilities

	Notes	2015 £	2014 £
Deferred tax liabilities	22	71,687	10,058
		<u>71,687</u>	<u>10,058</u>

22 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2015 £	Liabilities 2014 £
Balances:		
Accelerated capital allowances	92,806	30,669
Short term timing differences	(21,119)	(20,611)
	<u>71,687</u>	<u>10,058</u>
Movements in the year:		2015 £
Liability at 1 January 2015		10,058
Charge to profit or loss		61,629
Liability at 31 December 2015		<u>71,687</u>

The deferred tax liability set out above is expected to reverse and relates to accelerated capital allowances that are expected to mature. It is not considered necessary to discount the deferred taxation balance.

23 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £154,015 (2014 - £124,641).

24 Called Up Share capital

	2015 £	2014 £
Ordinary share capital		
Issued and fully paid		
38,500 Ordinary shares of £1 each	<u>38,500</u>	<u>38,500</u>

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

25 Reserves

The profit and loss account reserve represents cumulative profits and losses net of dividends and other adjustments.

As noted in accounting policy note 1.1, there has been no changes to the prior year profit or equity as a result of the transition to FRS 102.

26 Capital commitments

	2015 £	2014 £
At 31 December 2015 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	-	2,160,434

27 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	386,326	408,325

Transactions with related parties

During the year the company incurred management charges from Genner Trust Limited, a company of which Lady Wakeham is a director, amounting to £92,881 (2014 - £83,025). The balance outstanding at the year-end was £nil (2014 : £nil).

28 Controlling party

The ultimate parent undertaking and controlling entity is Godfrey-Syrett (Holdings) Limited, a company registered in England and Wales. Godfrey-Syrett (Holdings) Limited is the smallest and largest group which includes the company and for which consolidated financial statements are prepared.

Copies of the consolidated financial statements of Godfrey-Syrett (Holdings) Limited may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

GODFREY-SYRETT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

29 Subsidiaries

These financial statements are separate company financial statements for Godfrey-Syrett Limited.

Details of the company's subsidiaries at 31 December 2015 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Peal Furniture (Durham) Limited	United Kingdom	Dormant	Ordinary	100.00
Lodge Contracts (1984) Limited	United Kingdom	Dormant	Ordinary	100.00
Vinyl Master (Northumbria) Limited	United Kingdom	Dormant	Ordinary	100.00
Hillfield Securities (Wembley) Limited	United Kingdom	Dormant	Ordinary	100.00
Peal Equipment Limited	United Kingdom	Dormant	Ordinary	100.00
Herlacross Limited	United Kingdom	Dormant	Ordinary	100.00
Martock Investments Limited	United Kingdom	Dormant	Ordinary	100.00

The investments in subsidiaries are all stated at cost.

30 Cash generated from operations

	2015 £	2014 £
Profit for the year	1,089,553	926,111
Adjustments for:		
Income tax expense	(15,609)	244,617
Finance costs	57,069	99,295
Investment income	(448)	(404)
Gain on disposal of tangible fixed assets	(458)	(5,689)
Amortisation and impairment of intangible assets	10,000	-
Depreciation and impairment of tangible fixed assets	266,020	193,529
Movements in working capital:		
(Increase) in stocks	(307,767)	(175,403)
(Increase) in debtors	(654,803)	(104,438)
Increase/(decrease) in creditors	596,985	(638,158)
Cash generated from operations	1,040,542	539,460