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Companies House

Company Registration No. 01377322 (England and Wales)

B G N BOARDS COMPANY LIMITED
ABBREVIATED ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2015

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B G N BOARDS COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JULY 2015

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

REVIEW OF THE BUSINESS

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and gross margin.

Turnover and gross margin of the company were as follows:

	2015	2014	2013
	%	%	%
Turnover growth	4.7	0.5	(12.4)
Gross profit growth	5.9	(12.7)	0.8

Trading Performance 2015

A small growth in turnover was mirrored by a growth in net profit as the gross margin was similar to the previous year. One of our main core markets i.e. shop fitting endured a particularly unsettled year with many of the major supermarket chains closing shops and cancelling refurbishment schemes.

Business Environment in 2016

We expect 2016 to be another difficult year as obtaining credit is still difficult, which will lead to a high number of businesses failing and increased bad debts. There continues to be a large volume of cheap imports coming from the continent and the Far East putting margins under pressure. Shop fitting will continue to be adversely affected by the growth of online sales and the growth of budget stores who spend very little on the shops interior.

On behalf of the board



R J Newman
DIRECTOR

8 December 2015

B G N BOARDS COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2015

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

RESULTS AND DIVIDENDS

The results for the year are set out on page 5.

The total distribution of dividends for the year ended 31 July 2015 will be £100,000.

DIRECTORS

The following directors have held office since 1 August 2014:

B G Newman

R J Newman

S R A Farmer

I A Chambers

AUDITORS

In accordance with the company's articles, a resolution proposing that J W Hinks LLP be reappointed as auditors of the company will be put at a General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITORS

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



R.J. Newman

DIRECTOR

8 December 2015

B G N BOARDS COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO B G N BOARDS COMPANY LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 5 to 19, together with the financial statements of B G N Boards Company Limited for the year ended 31 July 2015 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

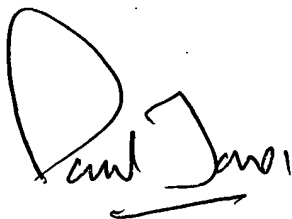
RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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.

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 to be delivered are properly prepared.

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.



Paul Jones BA FCA (Senior Statutory Auditor)

for and on behalf of

J W HINKS LLP

CHARTERED ACCOUNTANTS

19 Highfield Road

Edgbaston

Birmingham

B15 3BH

8 DECEMBER 2015

B G N BOARDS COMPANY LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2015

		2015	2014
	Notes	£	£
TURNOVER		7,187,086	6,862,666
Other operating income less cost of sales		(4,927,714)	(4,730,980)
Distribution costs		(212,826)	(247,048)
Administrative expenses		(1,570,713)	(1,617,282)
OPERATING PROFIT	2	475,833	267,356
Other interest receivable and similar income		31,710	28,629
Interest payable and similar charges	4	(454)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		507,089	295,985
Tax on profit on ordinary activities	5	(105,098)	(65,864)
PROFIT FOR THE YEAR	16	401,991	230,121

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

There are no recognised gains and losses other than those passing through the profit and loss account.

B G N BOARDS COMPANY LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 JULY 2015

	Notes	2015 £	£	2014 £	£
FIXED ASSETS					
Tangible assets	7	98,711		72,686	
Investments	8	229,902		229,902	
		<u>328,613</u>		<u>302,588</u>	
CURRENT ASSETS					
Stocks	9	993,110	1,084,542		
Debtors	10	1,456,428	1,227,593		
Cash at bank and in hand		4,757,691	4,650,501		
		<u>7,207,229</u>	<u>6,962,636</u>		
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>(1,283,206)</u>	<u>(1,328,249)</u>		
NET CURRENT ASSETS		<u>5,924,023</u>		<u>5,634,387</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,252,636</u>		<u>5,936,975</u>	
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	12	(11,169)		-	
PROVISIONS FOR LIABILITIES	13	(7,500)		(5,000)	
		<u>6,233,967</u>		<u>5,931,975</u>	
CAPITAL AND RESERVES					
Called up share capital	15	2,000		2,000	
Profit and loss account	16	6,231,967		5,929,975	
SHAREHOLDERS' FUNDS	17	<u>6,233,967</u>		<u>5,931,975</u>	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies.

Approved by the Board and authorised for issue on 8 December 2015


R J Newman
DIRECTOR

COMPANY REGISTRATION NO. 01377322

B G N BOARDS COMPANY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2015

		2015	2014
	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		264,609	325,141
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received	31,710	28,629	
NET CASH INFLOW FOR RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		31,710	28,629
TAXATION		(67,848)	(128,514)
CAPITAL EXPENDITURE			
Payments to acquire tangible assets	(28,197)	-	
Receipts from sales of tangible assets	12,500	-	
NET CASH OUTFLOW FOR CAPITAL EXPENDITURE		(15,697)	-
EQUITY DIVIDENDS PAID		(100,000)	(170,000)
NET CASH INFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES AND FINANCING		112,774	55,256
FINANCING			
Capital element of hire purchase contracts	(5,584)	-	
INCREASE/(DECREASE) IN DEBT	(5,584)	-	
NET CASH OUTFLOW FROM FINANCING		(5,584)	-
INCREASE IN CASH IN THE YEAR		107,190	55,256

B G N BOARDS COMPANY LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JULY 2015

1	RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES		2015	2014	
			£	£	
	Operating profit		475,833	267,356	
	Depreciation of tangible assets		19,310	15,425	
	Profit on disposal of tangible assets		(4,507)	-	
	Decrease/(increase) in stocks		91,432	(21,097)	
	(Increase)/decrease in debtors		(228,835)	65,368	
	Decrease in creditors within one year		(88,624)	(1,911)	
	NET CASH INFLOW FROM OPERATING ACTIVITIES		264,609	325,141	
2	ANALYSIS OF NET FUNDS	1 August 2014	Cash flow	Other non-cash changes	31 July 2015
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	4,650,501	107,190	-	4,757,691
	Bank deposits	-	-	-	-
	Debt:				
	Finance leases	-	5,584	(25,130)	(19,546)
	NET FUNDS	4,650,501	112,774	(25,130)	4,738,145
3	RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS		2015	2014	
			£	£	
	Increase in cash in the year		107,190	55,256	
	Cash outflow from decrease in debt and lease financing		5,584	-	
	Change in net debt resulting from cash flows		112,774	55,256	
	New finance lease		(25,130)	-	
	MOVEMENT IN NET FUNDS IN THE YEAR		87,644	55,256	
	Opening net funds		4,650,501	4,595,245	
	CLOSING NET FUNDS		4,738,145	4,650,501	

B G N BOARDS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2015

1 ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

The financial statements are prepared under the historical cost convention.

1.2 COMPLIANCE WITH ACCOUNTING STANDARDS

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 TURNOVER

Turnover represents net invoiced sales of goods, excluding value added tax.

1.4 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 less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	10% on reducing balance
Fixtures, fittings & equipment	20% on reducing balance
Motor vehicles	25% on reducing balance

1.5 LEASING AND HIRE PURCHASE COMMITMENTS

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 STOCK

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

1.8 PENSIONS

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

1.9 DEFERRED TAXATION

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

B G N BOARDS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

1 ACCOUNTING POLICIES

(Continued)

1.10 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2	OPERATING PROFIT	2015	2014
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	19,310	15,425
	Operating lease rentals		
	– Plant and machinery	160,745	160,677
	– Other assets	120,000	120,000
	Auditors' remuneration (including expenses and benefits in kind)	6,000	6,000
	and after crediting:		
	Profit on disposal of tangible assets	(4,507)	–
		<u> </u>	<u> </u>
3	INVESTMENT INCOME	2015	2014
		£	£
	Bank interest	31,710	28,629
		<u> </u>	<u> </u>
		31,710	28,629
		<u> </u>	<u> </u>
4	INTEREST PAYABLE	2015	2014
		£	£
	Hire purchase interest	454	–
		<u> </u>	<u> </u>

B G N BOARDS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

5	TAXATION	2015	2014
		£	£
	DOMESTIC CURRENT YEAR TAX		
	U.K. corporation tax	102,600	67,850
	Adjustment for prior years	(2)	14
	TOTAL CURRENT TAX	102,598	67,864
	DEFERRED TAX		
	Origination and reversal of timing differences	2,500	(2,000)
		105,098	65,864
	FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
	Profit on ordinary activities before taxation	507,089	295,985
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.34% (2014 – 21.53%)	103,142	63,726
	Effects of:		
	Non deductible expenses	1,285	2,640
	Adjustments to previous periods	(2)	14
	Capital allowances for period in excess of depreciation	(1,889)	1,491
	Other tax adjustments	62	(7)
		(544)	4,138
	CURRENT TAX CHARGE FOR THE YEAR	102,598	67,864
6	DIVIDENDS	2015	2014
		£	£
	Ordinary final paid	100,000	170,000

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

7 TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
COST				
At 1 August 2014	215,377	226,478	99,027	540,882
Additions	-	15,697	37,630	53,327
Disposals	-	-	(26,950)	(26,950)
At 31 July 2015	215,377	242,175	109,707	567,259
DEPRECIATION				
At 1 August 2014	179,650	216,166	72,379	468,195
On disposals	-	-	(18,957)	(18,957)
Charge for the year	3,644	4,329	11,337	19,310
At 31 July 2015	183,294	220,495	64,759	468,548
NET BOOK VALUE				
At 31 July 2015	32,083	21,680	44,948	98,711
At 31 July 2014	35,726	10,312	26,648	72,686

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles
	£
NET BOOK VALUES	
At 31 July 2015	31,358
DEPRECIATION CHARGE FOR THE YEAR	
At 31 July 2015	6,272

B G N BOARDS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

8 FIXED ASSET INVESTMENTS

	Listed investments £
COST	
At 1 August 2014 & at 31 July 2015	229,902
NET BOOK VALUE	
At 31 July 2015	229,902
At 31 July 2014	229,902
	Market value £
At 31 July 2015	355,888
At 31 July 2014	339,105

9	STOCKS	2015 £	2014 £
	Finished goods and goods for resale	993,110	1,084,542
10	DEBTORS	2015 £	2014 £
	Trade debtors	1,388,446	1,184,541
	Other debtors	200	200
	Prepayments and accrued income	67,782	42,852
		1,456,428	1,227,593

B G N BOARDS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

11	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2015 £	2014 £
	Net obligations under hire purchase contracts	8,377	-
	Trade creditors	866,627	953,401
	Corporation tax	102,600	67,850
	Other taxes and social security costs	249,633	237,227
	Directors' current accounts	25,000	56,500
	Other creditors	-	6,771
	Accruals and deferred income	30,969	6,500
		<u>1,283,206</u>	<u>1,328,249</u>
12	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2015 £	2014 £
	Net obligations under hire purchase contracts	11,169	-
		<u>11,169</u>	<u>-</u>
	NET OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS		
		<u>(8,377)</u>	<u>-</u>
	Included in liabilities falling due within one year	(8,377)	-
		<u>(8,377)</u>	<u>-</u>

B G N BOARDS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

13 PROVISIONS FOR LIABILITIES

	Deferred tax liability £
Balance at 1 August 2014	5,000
Profit and loss account	2,500
Balance at 31 July 2015	<u>7,500</u>

THE DEFERRED TAX LIABILITY IS MADE UP AS FOLLOWS:

	2015 £	2014 £
Accelerated capital allowances	<u>7,500</u>	<u>5,000</u>

14 RETIREMENT BENEFITS

	2015 £	2014 £
Contributions payable by the company for the year	<u>41,119</u>	<u>46,295</u>

15 SHARE CAPITAL

	2015 £	2014 £
ALLOTTED, CALLED UP AND FULLY PAID		
2,000 Ordinary of £1 each	<u>2,000</u>	<u>2,000</u>

B G N BOARDS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

16 STATEMENT OF MOVEMENTS ON PROFIT AND LOSS ACCOUNT

	Profit and loss account £
Balance at 1 August 2014	5,929,976
Profit for the year	401,991
Dividends paid	(100,000)
Balance at 31 July 2015	<u>6,231,967</u>

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Profit for the financial year	401,991	230,121
Dividends	(100,000)	(170,000)
Net addition to shareholders' funds	<u>301,991</u>	<u>60,121</u>
Opening Shareholders' funds	5,931,975	5,871,854
Closing Shareholders' funds	<u>6,233,967</u>	<u>5,931,975</u>

18 CONTINGENT LIABILITIES

The company has a contingent liability in favour of H M Revenue & Customs of £40,000 (2014 – £40,000).

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

19 FINANCIAL COMMITMENTS

At 31 July 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 July 2016:

	Land and buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Operating leases which expire:				
Within one year	120,000	120,000	37,931	-
Between two and five years	-	-	70,581	131,643
	<u>120,000</u>	<u>120,000</u>	<u>108,512</u>	<u>131,643</u>
	<u><u>120,000</u></u>	<u><u>120,000</u></u>	<u><u>108,512</u></u>	<u><u>131,643</u></u>

20 CAPITAL COMMITMENTS

2015
£

2014
£

At 31 July 2015 the company had capital commitments as follows:

Contracted for but not provided in the financial statements	37,538	-
	<u>37,538</u>	<u>-</u>

21 DIRECTORS' REMUNERATION

2015
£

2014
£

Remuneration for qualifying services	172,556	163,214
Company pension contributions to defined contribution schemes	40,778	46,112
	<u>213,334</u>	<u>209,326</u>
	<u><u>213,334</u></u>	<u><u>209,326</u></u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2014 - 2).

B G N BOARDS COMPANY LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2015

22 EMPLOYEES

NUMBER OF EMPLOYEES

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Indirect wages	29	32
Administration	7	7
	<u>36</u>	<u>39</u>

EMPLOYMENT COSTS

	2015 £	2014 £
Wages and salaries	915,261	919,189
Social security costs	90,951	90,768
Other pension costs	41,119	46,295
	<u>1,047,331</u>	<u>1,056,252</u>

23 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

23 RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(Continued)

Press Bond Fabrications Limited

Mr B G Newman and Mr R J Newman have a controlling interest in Press Bond Fabrications Limited.

All trade with this company is on a normal commercial basis.

Sales to Press Bond Fabrications Limited in the year amounted to £418,380 (2014: £412,739) and purchases from Press Bond Fabrications Limited in the year amounted to £147,976 (2014: £146,702).

At the balance sheet date Press Bond Fabrications Limited owed B G N Boards Company Limited an amount of £77,287 (2014: £77,050).

Rent of property

Mr B G Newman owns the freehold of the premises occupied by the company. A rent of £120,000 (2014: £120,000) was paid by the company under the terms of the lease expiring in April 2012.

Dividends paid to directors

During the year dividends were paid to the following directors and other related parties:

Mr B G Newman – £40,000 (2014: £68,000)

Mr R J Newman – £35,000 (2014: £59,500)

B G Newman Trust – £15,000 (2014: £25,500)

R J Newman Trust – £10,000 (2014: £17,000)