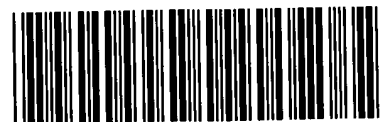

BANNERBRIDGE PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

TUESDAY



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COMPANIES HOUSE

BANNERBRIDGE PLC

COMPANY INFORMATION

DIRECTORS

D P Holyfield
P A Wheeler
P Buttress

COMPANY SECRETARY

P Buttress

REGISTERED NUMBER

01554709

REGISTERED OFFICE

22 - 24 Hornsby Square
Southfields Industrial Park
Basildon
Essex
SS15 6SD

INDEPENDENT AUDITOR

Barnes Roffe LLP
Chartered Accountants
Leytonstone House
Leytonstone
London
E11 1GA

BANNERBRIDGE PLC

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The following pages do not form part of the statutory financial statements:

Detailed Profit and Loss Account and Summaries	22 - 24
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BANNERBRIDGE PLC

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

INTRODUCTION

The directors present their business review below.

BUSINESS REVIEW

Throughout 2016 the Company improved the efficiency of operations further by streamlining and deploying new processes. The policy of focusing on niche products and added value services has enabled the Company to show respectable profitability, as shown by improved margins.

The directors feel the results for the year are satisfactory, given the market conditions throughout the period.

Although the outlook for 2017 remains challenging, it is felt the Company's efficient operation and focus on supplying niche products, puts it in a good position to benefit as trading conditions become more favourable.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company board meets regularly to discuss the risks and uncertainties it faces.

FINANCIAL KEY PERFORMANCE INDICATORS

Monthly management accounts are prepared and shown to the board. The directors review the accounts, looking at turnover, gross profit and net profit as the KPIs.

This report was approved by the board on *15th June 2017* and signed on its behalf.



P Buttress
Director

BANNERBRIDGE PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £14,997 (2015 - £52,520).

The directors do not recommend the payment of a final dividend.

DIRECTORS

The directors who served during the year were:

D P Holyfield
P A Wheeler
P Buttress

FUTURE DEVELOPMENTS

Future developments are noted in the business review on page 1 of the accounts.

COMPANY'S POLICY FOR PAYMENT OF CREDITORS

It is Company policy to ensure it is aware of the terms of payment to suppliers and to abide by these terms. The number of days purchases outstanding was 58.

BANNERBRIDGE PLC

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

DISCLOSURE OF INFORMATION TO AUDITOR

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the 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 auditor is aware of that information.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

AUDITOR

The auditor, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

This report was approved by the board on *15th Jan 2017* and signed on its behalf.



P Buttress
Director

BANNERBRIDGE PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BANNERBRIDGE PLC

We have audited the financial statements of Bannerbridge Plc for the year ended 31 December 2016, set out on pages 6 to 21. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement on page 2, 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 Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

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 2016 and of its profit or loss 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.

BANNERBRIDGE PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BANNERBRIDGE PLC (CONTINUED)

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

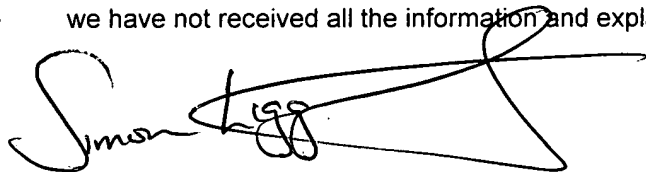
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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.



Simon Liggins (Senior Statutory Auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants
Leytonstone House
Leytonstone
London
E11 1GA

Date:

16.6.17

BANNERBRIDGE PLC

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
Turnover	2,3,5	3,209,665	3,594,478
Cost of sales		(2,295,515)	(2,733,192)
GROSS PROFIT		914,150	861,286
Distribution costs		(656,418)	(533,451)
Administrative expenses		(259,048)	(285,931)
Other operating income	4	41,736	41,736
OPERATING PROFIT		40,420	83,640
Interest receivable and similar income	10	-	290
Interest payable and similar charges	11	(12,122)	(11,069)
PROFIT BEFORE TAX		28,298	72,861
Tax on profit	12	(13,301)	(20,341)
PROFIT AFTER TAX		14,997	52,520
Retained earnings at the beginning of the year		424,132	570,612
(Loss)/profit for the year		14,997	52,520
Dividends declared and paid	13	(98,750)	(199,000)
RETAINED EARNINGS AT THE END OF THE YEAR		340,379	424,132

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of income and retained earnings.

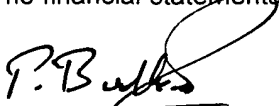
The notes on pages 8 to 21 form part of these financial statements.

BANNERBRIDGE PLC
REGISTERED NUMBER: 01554709

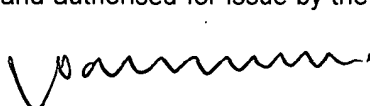
BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Tangible assets	14	63,018	83,844
CURRENT ASSETS			
Stocks	15	443,927	284,649
Debtors: amounts falling due within one year	16	774,407	917,838
Cash at bank and in hand	17	23,023	47,991
		<u>1,241,357</u>	<u>1,250,478</u>
Creditors: amounts falling due within one year	18	(788,273)	(803,989)
Net current assets		<u>453,084</u>	<u>446,489</u>
Total assets less current liabilities		<u>516,102</u>	<u>530,333</u>
Creditors: amounts falling due after more than one year	19	(69,996)	(474)
PROVISIONS FOR LIABILITIES			
Deferred tax	21	(4,727)	(4,727)
Net assets		<u><u>441,379</u></u>	<u><u>525,132</u></u>
Capital and reserves			
Called up share capital	22	81,000	81,000
Capital redemption reserve	23	20,000	20,000
Profit and loss account	23	340,379	424,132
		<u><u>441,379</u></u>	<u><u>525,132</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



P Buttress
Director



P A Wheeler
Director

15-6-17

The notes on pages 8 to 21 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. GENERAL INFORMATION

Bannerbridge PLC ("the Company") sells computer products and peripherals and provide related services.

The Company is a public company limited by shares and is incorporated in England and Wales. Its registered office is 22 - 24 Hornsby Square, Southfields Industrial Park, Basildon, Essex, SS15 6SD.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Company has adopted Financial Reporting Standard 102 ("FRS 102") in these financial statements.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Bannerbridge Holdings Limited as at 31 December 2016 and these financial statements may be obtained from Companies House.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. ACCOUNTING POLICIES (CONTINUED)

2.3 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes.

The Company recognises revenue when: (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the Company's sales channels have been met, as described below:

(i) The Company sells computer products and peripherals to resellers and end users. Sales invoices are raised on the morning following delivery. Delivery occurs when goods have been shipped from the Company's warehouse, at which point the risks of obsolescence or loss have been transferred to the customer. It is at this point that revenue is recognised. Where appropriate it is therefore necessary to make an adjustment to sales in respect of those items which have been delivered but have not been invoiced until the following morning. Sales are normally made with a credit term of 30 days. The element of financing is deemed immaterial and is disregarded in the measurement of revenue.

(ii) The Company sells goods via its website for delivery to the customer. Sales invoices are raised on the morning following delivery. Delivery occurs when goods have been shipped from the Company's warehouse, at which point the risks of obsolescence or loss have been transferred to the customer. It is at this point that revenue is recognised. Where appropriate it is therefore necessary to make an adjustment to sales in respect of those items which have been delivered but have not been invoiced until the following morning.

(iii) The Company provides services related to the sale of computer products and peripherals. Revenue is recognised in the accounting period in which the services are rendered.

2.4 Going concern

The Company has considerable financial resources and is expected to continue to generate positive cash flows on its own account for the foreseeable future. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as noted below.

Depreciation is provided on the following annual bases:

Office equipment	-	25% reducing balance
Fixtures, fittings and equipment	-	15% reducing balance
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.6 Leased assets: the Company as lessee

Assets obtained under hire purchase contract 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 Statement of Income and Retained Earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.7 Operating leases: the Company as lessee

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases.

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Stocks are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the stock to its present location and condition.

Stocks are assessed for impairment on a bimonthly basis. If an item of stock is impaired, the identified stock item is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

2.13 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. ACCOUNTING POLICIES (CONTINUED)

2.15 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.16 Pensions

The Company makes contributions to money purchase contribution schemes for certain employees, the assets of the schemes being held separately from the assets of the Company. The pension charge represents the amounts payable by the Company to the funds in respect of the year.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.19 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. ACCOUNTING POLICIES (CONTINUED)

2.20 Related party transactions

The Company discloses transactions with related parties which are not wholly owned within the same group.

**3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Critical judgements in applying the entity's accounting policies

No significant judgements have had to be made by management in preparing these financial statements.

b) Critical accounting estimates and assumptions

i) Stock impairment

Stock is impaired on a bimonthly basis as stated in note 2.8. The Company sells computer products and peripherals and is subject to changing consumer demands and technological trends. As a result it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability of finished goods and technological obsolescence. See note 15 for the net carrying amount of the stock.

ii) Impairment of debtors

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors.

BANNERBRIDGE PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. OTHER OPERATING INCOME

	2016	2015
	£	£
Net rents receivable	41,736	41,736

5. ANALYSIS OF TURNOVER

The whole of the turnover is attributable to the Company's principal activities.

In the year 23% (2014 - 39%) of the Company's turnover was attributable to sales to markets outside of the United Kingdom. It is in the opinion of the directors that disclosure of turnover of the Company by revenue stream is seriously prejudicial to the interests of the Company.

6. OPERATING PROFIT

The operating profit is stated after charging:

	2016	2015
	£	£
Non-operating lease rental payments	97,728	97,728
Depreciation of tangible fixed assets	24,716	24,611
Exchange differences	404	18,927
Defined contribution pension cost	36,779	36,339
Stock recognised as an expense	2,295,515	2,733,192

7. AUDITOR'S REMUNERATION

	2016	2015
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	12,000	11,000
FEES PAYABLE TO THE COMPANY'S AUDITOR AND ITS ASSOCIATES IN RESPECT OF:		
All other services	7,500	12,900

BANNERBRIDGE PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

8. EMPLOYEES

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

	2016	2015
	£	£
Cost of defined contribution scheme	36,779	36,339

The Company has no employees other than the directors.

9. DIRECTORS' REMUNERATION

	2016	2015
	£	£
Directors' emoluments	-	5,430

During the year retirement benefits were accruing to 2 directors (2015 - 2) in respect of defined contribution pension schemes.

Amounts were paid to Bannerbridge Management Services LLP. It is not possible to quantify the amount paid to Bannerbridge Management Services LLP which relates specifically to making available the services of the LLP members, who are also directors of the Company.

10. INTEREST RECEIVABLE AND SIMILAR INCOME

	2016	2015
	£	£
Other interest receivable	-	290

11. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	2015
	£	£
Bank interest payable	12,122	10,074
Finance leases and hire purchase contracts	-	995
	12,122	11,069

BANNERBRIDGE PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

12. TAXATION

	2016 £	2015 £
CORPORATION TAX		
Current tax on profits for the year	13,301	20,808
Adjustments in respect of previous periods	-	(467)
TOTAL CURRENT TAX	13,301	20,341

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2015 - *higher than*) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	28,298	72,861
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	5,660	14,754
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,268	4,077
Deferred tax not provided for	3,373	2,144
Adjustments to tax charge in respect of prior periods	-	(467)
Marginal relief	-	(167)
TOTAL TAX CHARGE FOR THE YEAR	13,301	20,341

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

13. DIVIDENDS

	2016 £	2015 £
Dividends	98,750	199,000

BANNERBRIDGE PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

14. TANGIBLE FIXED ASSETS

	Office equipment £	Fixtures, fittings and equipment £	Total £
COST OR VALUATION			
At 1 January 2016	199,059	723,768	922,827
Additions	-	3,890	3,890
At 31 December 2016	<u>199,059</u>	<u>727,658</u>	<u>926,717</u>
DEPRECIATION			
At 1 January 2016	196,721	642,262	838,983
Charge for the period on owned assets	595	17,582	18,177
Charge for the period on financed assets	-	6,539	6,539
At 31 December 2016	<u>197,316</u>	<u>666,383</u>	<u>863,699</u>
NET BOOK VALUE			
At 31 December 2016	<u>1,743</u>	<u>61,275</u>	<u>63,018</u>
At 31 December 2015	<u>2,338</u>	<u>81,506</u>	<u>83,844</u>

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

	2016 £	2015 £
Fixtures, fittings and equipment	<u>1,091</u>	<u>7,630</u>

BANNERBRIDGE PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

15. STOCKS

	2016 £	2015 £
Finished goods and goods for resale	<u>443,927</u>	<u>284,649</u>

16. DEBTORS

	2016 £	2015 £
Trade debtors	342,473	468,895
Amounts owed by group undertakings	11,000	650
Other debtors	413,035	440,629
Prepayments and accrued income	7,899	7,664
	<u>774,407</u>	<u>917,838</u>

17. CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	<u>23,023</u>	<u>47,991</u>

18. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	386,831	347,100
Corporation tax	13,301	20,808
Obligations under finance lease and hire purchase contracts	353	6,539
Other creditors	352,502	416,048
Accruals and deferred income	35,286	13,494
	<u>788,273</u>	<u>803,989</u>

BANNERBRIDGE PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

19. CREDITORS: Amounts falling due after more than one year

	2016 £	2015 £
Net obligations under finance leases and hire purchase contracts	-	474
Other creditors	69,996	-
	<u>69,996</u>	<u>474</u>

Included within accruals is an amount for deferred VAT of £2,286 (2015 - £2,494). This item is secured by fixed and floating charges over all assets of the Company.

Included within other creditors is an amount due to Lloyds Bank Commercial Finance Limited of £214,663 (2015 - £189,914). This item is secured by fixed and floating charges over all assets of the Company.

20. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	353	6,539
Between 1-2 years	-	474
	<u>353</u>	<u>7,013</u>

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

21. DEFERRED TAXATION

	2016 £	2015 £
At beginning of year	(4,727)	(4,727)
AT END OF YEAR	<u>(4,727)</u>	<u>(4,727)</u>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	<u>(4,727)</u>	<u>(4,727)</u>

BANNERBRIDGE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

22. SHARE CAPITAL

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
1,000 Ordinary A shares of £1 each	1,000	1,000
40,000 Ordinary B shares of £1 each	40,000	40,000
40,000 Ordinary C shares of £1 each	40,000	40,000
	<hr/>	<hr/>
	81,000	81,000
	<hr/>	<hr/>

All Ordinary shares rank *pari passu*.

23. RESERVES

Profit & loss account

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

24. PENSION COMMITMENTS

The Company makes contributions to money purchase contribution schemes for certain employees, the assets of the schemes being held separately from those of the Company. The pension cost charge represents contributions payable by the Company to the fund and amounted to £36,779 (2015 - £36,339). Contributions outstanding as at 31 December 2016 were £21,000 (2015 - £Nil) and included in accruals above.

BANNERBRIDGE PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

25. RELATED PARTY TRANSACTIONS

During the year rental charges were paid to the Company's pension scheme. The Company's pension scheme owns part of the property from which the Company operates.

During the previous year, a company under common control invoiced Bannerbridge Plc for telephone charges. During the previous year Bannerbridge Plc invoiced the same company for management, service and rental charges. At the beginning of this year, that company was no longer under common control.

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12 and paragraph 33.1A from disclosing transactions with key management and from disclosing other related party transactions as they are with other companies that are wholly owned with the Group.

The above transactions and year end balances are summarised below:

	2016 £	2015 £
Rent paid to the Company's pension scheme	37,656	37,656
Sales to companies under common control	-	103,133
Purchases from companies under common control	-	19,350
Amounts owed to companies under common control	-	83,364
Rent paid to the directors and a former shareholder	60,072	60,072
Amounts owed to directors	90,624	90,624

26. ULTIMATE PARENT UNDERTAKING

The Company is a 100% subsidiary of Bannerbridge Holdings Limited, its ultimate parent undertaking. The accounts of Bannerbridge Holdings Limited can be obtained from the Registrar of Companies at Companies House, Crown Way, Cardiff, CF14 3UZ.