

**BRAVADO LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2015**

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# **BRAVADO LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	D A Green G F Palmer S L Quinnell
<b>Secretary</b>	G F Palmer
<b>Company number</b>	01584795
<b>Registered office</b>	First Floor Thavies Inn House 3-4 Holborn Circus London EC1N 2HA
<b>Auditors</b>	Wilson Wright LLP Thavies Inn House 3-4 Holborn Circus London EC1N 2HA

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# **BRAVADO LIMITED**

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# BRAVADO LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 MAY 2015

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The directors present their strategic report for the year ended 31 May 2015

#### Review of the business

A summary of the results of the year's trading is given on page 5 of the financial statements

The company has maintained a profit making position, with continued increase in turnover

The directors aim to continue the current business model, whilst seeking to source production from the most advantageous markets worldwide. The directors are of the opinion that they will be in a good position to maintain the trading pattern going forward.

#### Risks and uncertainties

The directors have given careful consideration to the principal risks facing the company, relating to the current High Street and Supermarket trading climate. They feel confident that with both their new and established customer base, and the initiatives being taken, the company will be well placed to compete under the economic conditions for the foreseeable future.

#### Key financial highlights

	2015	2014	2013
Turnover	£11,282,992	£10,237,464	£9,706,801
Turnover increase	10%	5%	12%
Operating profit	£119,739	£205,345	£4,027

#### Post balance sheet events

There have not been any significant post balance sheet events



G F Palmer

Director

26 JANUARY 2016

# **BRAVADO LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MAY 2015**

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The directors present their annual report and financial statements for the year ended 31 May 2015

#### **Results and dividends**

No dividend was proposed or paid during the year (2014 - £Nil)

#### **Directors**

The following directors have held office since 1 June 2014

D A Green  
G F Palmer  
S L Quinnell

#### **Auditors**

The auditors, Wilson Wright LLP, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006

#### **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



G F Palmer

Director

26 January 2016

# **BRAVADO LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAVADO LIMITED**

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We have audited the financial statements of Bravado Limited for the year ended 31 May 2015 set out on pages 5 to 14. 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).

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 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 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 set out 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 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 May 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report and The Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **BRAVADO LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF BRAVADO LIMITED**

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### **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

**Michael Lerner FCA FCCA (Senior Statutory Auditor)**  
**for and on behalf of Wilson Wright LLP**

Chartered Accountants and Statutory Auditors  
Thavies Inn House  
3-4 Holborn Circus  
London  
EC1N 2HA

26 JANUARY 2016

# BRAVADO LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2015

		2015 £	2014 £
	Notes		
Turnover	2	11,282,992	10,237,464
Cost of sales		(9,741,908)	(8,587,298)
<b>Gross profit</b>		<b>1,541,084</b>	<b>1,650,166</b>
Administrative expenses		(1,505,345)	(1,516,821)
Other operating income		84,000	72,000
<b>Operating profit</b>	3	<b>119,739</b>	<b>205,345</b>
Interest receivable		190	126
Interest payable	6	(71,358)	(80,832)
<b>Profit on ordinary activities before taxation</b>		<b>48,571</b>	<b>124,639</b>
Tax on profit on ordinary activities	7	-	-
<b>Profit for the financial year</b>	14	<b>48,571</b>	<b>124,639</b>

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



# BRAVADO LIMITED

## BALANCE SHEET

AS AT 31 MAY 2015

	Notes	2015 £	£	2014 £	£
<b>Fixed assets</b>					
Tangible assets	8		16,069		28,657
<b>Current assets</b>					
Stocks	9	573,450		399,410	
Debtors	10	3,965,389		4,525,837	
Cash at bank and in hand		214,580		257,096	
		<u>4,753,419</u>		<u>5,182,343</u>	
<b>Creditors' amounts falling due within one year</b>	11	<u>(4,435,936)</u>		<u>(4,926,019)</u>	
<b>Net current assets</b>			317,483		256,324
<b>Total assets less current liabilities</b>			<u>333,552</u>		<u>284,981</u>
<b>Capital and reserves</b>					
Called up share capital	13		1,200		1,200
Share premium account	14		74,800		74,800
Profit and loss account	14		257,552		208,981
<b>Shareholders' funds</b>	15		<u>333,552</u>		<u>284,981</u>

Approved by the Board and authorised for issue on 26 January 2016

D A Green  
Director

Company Registration No. 01584795

# BRAVADO LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MAY 2015

	£	2015 £	£	2014 £
<b>Net cash inflow from operating activities</b>		28,652		349,210
<b>Returns on investments and servicing of finance</b>				
Interest received	190		126	
Interest paid	(71,358)		(80,832)	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(71,168)		(80,706)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	-		(37,752)	
<b>Net cash outflow for capital expenditure</b>		-		(37,752)
<b>(Decrease)/increase in cash in the year</b>		<u>(42,516)</u>		<u>230,752</u>

# BRAVADO LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MAY 2015

1	Reconciliation of operating profit to net cash inflow from operating activities	2015	2014		
		£	£		
	Operating profit	119,739	205,345		
	Depreciation of tangible assets	12,588	27,694		
	Increase in stocks	(174,040)	(14,893)		
	Decrease/(increase) in debtors	560,448	(2,335,352)		
	(Decrease)/Increase in creditors within one year	(490,083)	2,466,416		
	Net cash inflow from operating activities	28,652	349,210		
2	Analysis of net funds	1 June 2014	Cash flow	Other non-cash changes	31 May 2015
		£	£	£	£
	Net cash				
	Cash at bank	257,096	(42,516)	-	214,580
	Bank deposits	-	-	-	-
	Net funds	257,096	(42,516)	-	214,580
3	Reconciliation of net cash flow to movement in net funds	2015	2014		
		£	£		
	(Decrease)/increase in cash in the year	(42,516)	230,752		
	Movement in net funds in the year	(42,516)	230,752		
	Opening net funds	257,096	26,344		
	Closing net funds	214,580	257,096		

# BRAVADO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2015

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### 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

#### 1.3 Turnover

Revenue is recognised when the goods are delivered to the extent that it is probable that economic benefits will flow into the Company and excludes value added tax

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on a straight line basis at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery	25%
Fixtures, fittings & equipment	20%/ 25%/ 33%

#### 1.5 Leasing

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

#### 1.6 Stock

Stock is valued at the lower of cost and net realisable value

#### 1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are recognised when it is more likely than not there will be suitable taxable profits from which the future reversal of the underlining timing differences can be deducted. Deferred tax balances are not discounted

#### 1.8 Foreign currency translation

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 Turnover

An analysis of turnover is as follows

	2015 £	2014 £
Geographical market		
United Kingdom	7,802,050	8,719,934
Overseas	3,480,942	1,517,530
	<u>11,282,992</u>	<u>10,237,464</u>

# BRAVADO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2015

<b>3</b>	<b>Operating profit</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Operating profit is stated after charging		
	Depreciation of tangible assets	12,588	27,694
	Operating lease rentals	34,408	36,820
	Auditors' remuneration	15,000	15,000
		<u>          </u>	<u>          </u>

### 4 Employees

#### Number of employees

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

	<b>2015</b>	<b>2014</b>
	<b>Number</b>	<b>Number</b>
Administrative and management	3	3
Marketing	22	22
	<u>      </u>	<u>      </u>
	25	25
	<u>          </u>	<u>          </u>

#### Employment costs

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	937,440	968,005
Social security costs	102,394	105,796
	<u>          </u>	<u>          </u>
	1,039,834	1,073,801
	<u>          </u>	<u>          </u>

### 5 Directors' emoluments

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Emoluments	<u>272,798</u>	<u>264,958</u>
Emoluments disclosed above include the following amounts paid to the highest paid director	<u>148,489</u>	<u>147,882</u>

# BRAVADO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2015

6	Interest payable	2015 £	2014 £	
	On amounts payable to factors	71,358	80,832	
7	Taxation	2015	2014	
	Current tax	-	-	
	Factors affecting the tax charge for the year			
	Profit on ordinary activities before taxation	48,571	124,639	
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 20.00%)	9,714	24,928	
	Effects of			
	Non deductible expenses	11,002	4,112	
	Excess of depreciation over capital allowances	2,312	(1,214)	
	Tax losses utilised	(23,028)	(27,826)	
		(9,714)	(24,928)	
	Current tax	-	-	
8	Tangible fixed assets			
		Plant and machinery	Fixtures, fittings & equipment	Total
		£	£	£
	Cost			
	At 1 June 2014 & at 31 May 2015	4,061	62,367	66,428
	Depreciation			
	At 1 June 2014	4,061	33,710	37,771
	Charge for the year	-	12,588	12,588
	At 31 May 2015	4,061	46,298	50,359
	Net book value			
	At 31 May 2015	-	16,069	16,069
	At 31 May 2014	-	28,657	28,657

# BRAVADO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2015

9	Stocks	2015 £	2014 £
	Raw materials and consumables	573,450	399,410

10	Debtors	2015 £	2014 £
	Trade debtors	3,032,109	3,361,312
	Other debtors	169,533	480,201
	Prepayments and accrued income	763,747	684,324
		3,965,389	4,525,837

Amounts falling due after more than one year and included in the debtors above are

	2015 £	2014 £
Other debtors	95,904	480,201

Other debtors include an amount due from Bravado (UK) Limited of £95,904 (2014 - £480,201)

11	Creditors: amounts falling due within one year	2015 £	2014 £
	Trade creditors	2,072,690	1,640,401
	Taxes and social security costs	30,506	310,634
	Other creditors	2,055,534	2,620,471
	Accruals and deferred income	277,206	354,513
		4,435,936	4,926,019

Included in other creditors is amounts owed to factors of £2,042,321 (2014 - £2,598,466) which are secured over the company's assets

# BRAVADO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2015

### 12 Financial commitments

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

	<b>Land and buildings</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Operating leases which expire Between two and five years	34,905	34,905

### 13 Share capital

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
1,200 Ordinary shares of £1 each	1,200	1,200

### 14 Statement of movements on reserves

	<b>Share premium account £</b>	<b>Profit and loss account £</b>
Balance at 1 June 2014	74,800	208,981
Profit for the financial year	-	48,571
Balance at 31 May 2015	74,800	257,552

### 15 Reconciliation of movements in Shareholders' funds

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	48,571	124,639
Opening Shareholders' funds	284,981	160,342
Closing Shareholders' funds	333,552	284,981



# **BRAVADO LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 MAY 2015**

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#### **16 Related party relationships and transactions**

Fees amounting to £35,000 (2014 - £15,000) were payable to P Duong, a close family member of H W Young, who has a significant interest in the shares of the company

Purchases, in the normal course of business amounting to £22,291 (2014 - £756,234), were made from Migline Limited, a company in which a close family member of H W Young has a significant interest. At 31 May 2015, £Nil (2014 - £9,414) was owed to Migline Limited

Management charges of £84,000 (2014 - £72,000) were received in the normal course of business from Bravado (UK) Limited, a company in which D A Green and H W Young have a significant interest. At 31 May 2015, £95,904 (2014 - £480,201) was owed by Bravado (UK) Limited

D A Green and H W Young have provided a guarantee to the company's factors, limited to £195,000 and £125,000 respectively

**BRAVADO LIMITED**  
**MANAGEMENT INFORMATION**  
**FOR THE YEAR ENDED 31 MAY 2015**

# BRAVADO LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MAY 2015

		2015	2014
	£	£	£
<b>Turnover</b>			
Sales		11,282,992	10,237,464
<b>Cost of sales</b>			
Opening stock	399,410	384,517	
Purchases	5,321,146	4,388,087	
Cutting, making and trimming	4,374,076	3,892,836	
Packaging, postage, carriage and duty	220,726	321,268	
	<u>10,315,358</u>	<u>8,986,708</u>	
Closing stock	(573,450)	(399,410)	
		<u>(9,741,908)</u>	<u>(8,587,298)</u>
<b>Gross profit</b>		<u>1,541,084</u>	<u>1,650,166</u>
<b>Administrative expenses</b>		<u>(1,505,345)</u>	<u>(1,516,821)</u>
		35,739	133,345
<b>Other operating income</b>			
Management charges		84,000	72,000
		<u>119,739</u>	<u>205,345</u>
<b>Operating profit</b>			
<b>Other interest receivable and similar income</b>			
Bank interest		190	126
<b>Interest payable</b>			
Factor interest paid		(71,358)	(80,832)
<b>Profit before taxation</b>		<u><u>48,571</u></u>	<u><u>124,639</u></u>

# BRAVADO LIMITED

## SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 MAY 2015

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	2015	2014
	£	£
<b>Administrative expenses</b>		
Salaries and fees	837,961	869,642
Directors' remuneration	269,467	261,498
Rent, rates and service charges	76,288	83,005
Insurance	45,825	45,784
Light and heat	7,074	6,779
Cleaning	7,979	9,178
Repairs and renewals	21,270	43,052
Printing, postage and stationery	6,363	4,843
Telephone	8,463	11,002
Computer costs	36,098	27,705
Motor expenses	16,024	15,280
Travelling and entertaining	70,494	50,209
Legal and professional	27,476	12,211
Audit and accountancy	22,182	21,409
Bank and factoring charges	33,031	12,207
General expenses	6,762	15,323
Depreciation	12,588	27,694
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	1,505,345	1,516,821
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