

**Company Number: 2386753**

**Sterling Press Limited**

**Directors' Report and Financial Statements**

**for the Year Ended 31 March 2015**

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**Sterling Press Limited**  
**Contents**

Company Information .....	1
Strategic Report .....	2
Directors' Report .....	3
Independent Auditor's Report .....	4 to 5
Profit and Loss Account .....	6
Balance Sheet .....	7
Cash Flow Statement .....	8 to 9
Notes to the Financial Statements .....	10 to 20

**Sterling Press Limited**  
**Company Information**

<b>Directors</b>	S D Pizzey J F Pizzey
<b>Company secretary</b>	S D Pizzey
<b>Registered office</b>	Kettering Parkway South Kettering Venture Park Kettering Northamptonshire NN15 6XU
<b>Bankers</b>	National Westminster Bank plc 40 Market Street Wellingborough Northants NN8 1AD
<b>Auditors</b>	Hawsons Chartered Accountants Jubilee House 32 Duncan Close Moulton Park Northampton NN3 6WL

**Sterling Press Limited**  
**Strategic Report for the Year Ended 31 March 2015**

**Business review**

***Fair review of the business***

The Directors are pleased to report a 17% increase in turnover for 2014/15. It is also worth noting that since the global financial crisis of 2008, Sterling has more than doubled its turnover.

Between 2008 and 2015, the company has invested more than £16 million in capital equipment and repaid HP debt of just under £14 million. This unparalleled programme of investment has kept the company at the forefront of technology within its field of competition.

Operating profit before exceptional items has increased by more than 50% and even after capital expenditure of just under £2 million within the year, there has still been a modest reduction of £466,448 in net debt.

A significant amount of these funds has been spent on new equipment outside the company's normal service offering, complementing the conventional production processes as well as opening new product capabilities with both existing and new clients, alike.

The Directors are very grateful to all the staff who have helped delivered these excellent results.

***Principal risks and uncertainties***

The business' principal financial instruments comprise bank balances, bank facilities, trade debtors, trade creditors and finance lease agreements. The main purpose of these instruments is to finance the business' operations.


In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of facilities at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments.

Approved by the Board and signed on its behalf by:

  
S D Pizzey  
Director

2 July 2015

**Sterling Press Limited**  
**Directors' Report for the Year Ended 31 March 2015**

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

**Principal activity**

The principal activity of the company is printing.

**Statement of directors responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 results for the company are set out in the financial statements.

The directors do not recommend the payment of a dividend in respect of the year ended 31 March 2015

**Directors of the company**

The directors who held office during the year were as follows:

S D Pizzey

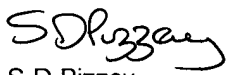
J F Pizzey

**Disclosure of information to the auditors**

The directors of the company who held office at the date of the approval of this Annual Report as set out above each confirm that:

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board and signed on its behalf by:



S D Pizzey  
Director

2 July 2015

## **Independent Auditor's Report to the Members of Sterling Press Limited**

We have audited the financial statements of Sterling Press Limited for the year ended 31 March 2015, set out on pages 6 to 20. 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 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 Statement of directors responsibilities (set out on page 3), 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 (APB'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 Directors' 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 the 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 March 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of  
Sterling Press Limited**

..... *continued*

**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.

*Hawsons*

**Richard Burkimsher**

**Senior Statutory Auditor**

For and on behalf of Hawsons Chartered Accountants

Statutory Auditor

Jubilee House

32 Duncan Close

Moulton Park

Northampton

NN3 6WL

Date: *3 July 2015*

**Sterling Press Limited**  
**Profit and Loss Account for the Year Ended 31 March 2015**

	Note	2015 £	2014 £
Turnover		27,960,799	23,864,098
Cost of sales		<u>(18,360,894)</u>	<u>(15,719,024)</u>
Gross profit		9,599,905	8,145,074
Administrative expenses		<u>(7,877,455)</u>	<u>(6,999,171)</u>
Operating profit before exceptional items	2	1,722,450	1,145,903
Exceptional items	3	<u>(570,000)</u>	<u>(123,774)</u>
Operating profit after exceptional items		1,152,450	1,022,129
Interest payable and similar charges	6	<u>(553,686)</u>	<u>(579,916)</u>
Profit on ordinary activities before taxation		598,764	442,213
Tax on profit on ordinary activities	7	<u>(143,610)</u>	<u>(50,443)</u>
Profit for the financial year	17	<u><u>455,154</u></u>	<u><u>391,770</u></u>

Turnover and operating profit derive wholly from continuing operations.


The company has no recognised gains or losses for the year other than the results above.

There is no material difference between the results reported above and the results on an unmodified historical cost basis.

**Sterling Press Limited**  
**(Registration number: 2386753)**  
**Balance Sheet at 31 March 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Intangible fixed assets	8	-	12,000
Tangible fixed assets	9	6,874,535	6,692,062
Investments	10	100	100
		<u>6,874,635</u>	<u>6,704,162</u>
<b>Current assets</b>			
Stocks	11	731,921	492,370
Debtors	12	8,796,589	8,438,722
Cash at bank and in hand		5,069	28,279
		<u>9,533,579</u>	<u>8,959,371</u>
Creditors: Amounts falling due within one year	13	<u>(10,608,078)</u>	<u>(9,502,979)</u>
Net current liabilities		<u>(1,074,499)</u>	<u>(543,608)</u>
Total assets less current liabilities		5,800,136	6,160,554
Creditors: Amounts falling due after more than one year	14	(2,215,497)	(3,017,069)
Provisions for liabilities	15	<u>(370,000)</u>	<u>(384,000)</u>
Net assets		<u><u>3,214,639</u></u>	<u><u>2,759,485</u></u>
<b>Capital and reserves</b>			
Called up share capital	16	40,000	40,000
Other reserves	17	60,000	60,000
Profit and loss account	17	<u>3,114,639</u>	<u>2,659,485</u>
Shareholders' funds	18	<u><u>3,214,639</u></u>	<u><u>2,759,485</u></u>

These financial statements were approved and authorised for issue by the Board and signed on its behalf by:

  
S D Pizzey  
Director

2 July 2015

**Sterling Press Limited**  
**Cash Flow Statement for the Year Ended 31 March 2015**

**Reconciliation of operating profit to net cash flow from operating activities**

	2015 £	2014 £
Operating profit after exceptional items	1,152,450	1,022,129
Depreciation, amortisation and impairment charges	1,758,516	1,632,462
(Profit)/loss on disposal of fixed assets	(65,871)	123,774
Increase in stocks	(239,551)	(53,260)
Decrease/(increase) in debtors	252,758	(1,062,940)
Increase in creditors	844,185	728,447
Net cash inflow from operating activities	<u>3,702,487</u>	<u>2,390,612</u>

**Cash flow statement**

	2015 £	2014 £
Net cash inflow from operating activities	<u>3,702,487</u>	<u>2,390,612</u>
<b>Returns on investments and servicing of finance</b>		
HP and finance lease interest	(244,950)	(315,588)
Interest paid	(284,452)	(287,764)
	<u>(529,402)</u>	<u>(603,352)</u>
Taxation paid	(208,610)	(123,943)
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(714,917)	(364,627)
Sale of tangible fixed assets	66,877	446,373
	<u>(648,040)</u>	<u>81,746</u>
Net cash inflow before management of liquid resources and financing	<u>2,316,435</u>	<u>1,745,063</u>
<b>Financing</b>		
Value of new loans obtained during the period	115,000	287,000
Repayment of loans and borrowings	(811,903)	(341,783)
Repayment of capital element of finance leases and HP contracts	(1,988,320)	(2,330,985)
Refinance of HP contracts	-	455,000
	<u>(2,685,223)</u>	<u>(1,930,768)</u>
Decrease in cash	<u>(368,788)</u>	<u>(185,705)</u>

**Sterling Press Limited**  
**Cash Flow Statement for the Year Ended 31 March 2015**

..... *continued*

**Reconciliation of net cash flow to movement in net debt**

	Note	2015 £	2014 £
Decrease in cash		(368,788)	(185,705)
Cash inflow from increase in loans		(115,000)	(287,000)
Cash outflow from repayment of loans		811,903	341,783
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		1,988,320	2,330,985
Cash inflow from refinancing HP contracts		<u>-</u>	<u>(455,000)</u>
Change in net debt resulting from cash flows	22	2,316,435	1,745,063
Other non-cash movements		(504,690)	(897,150)
New finance leases		<u>(1,345,297)</u>	<u>(428,972)</u>
Movement in net debt		466,448	418,941
Net debt at 1 April	22	<u>(7,547,727)</u>	<u>(7,966,668)</u>
Net debt at 31 March	22	<u><u>(7,081,279)</u></u>	<u><u>(7,547,727)</u></u>

# Sterling Press Limited

## Notes to the Financial Statements for the Year Ended 31 March 2015

### 1 Accounting policies

#### Basis of preparation

The financial statements have been prepared under the historical cost convention.

#### Exemption from preparing group accounts

The company has taken exemption from preparing group accounts as it is included in consolidated accounts for a larger group which are drawn up as full consolidated audited accounts which are filed at Companies House.

#### Going concern

The financial statements have been prepared on a going concern basis.

#### Turnover

Turnover is the amount receivable by the company for goods and services provided, excluding VAT and trade discounts.

Income is recognised in the profit and loss account once work is completed and all applicable costs have been recorded by the company or are provided for. The financial statements do not include income for which there are unprovided further costs.

#### Goodwill

Goodwill is the difference between the fair value of the consideration paid for a business and associated brand name and the aggregate of the fair value of that entity's assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

#### Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Goodwill	Straight line over 5 years
----------	----------------------------

#### Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	9.7% to 25% straight line per annum
Furniture and equipment	15% to 50% straight line per annum
Motor vehicles	25% straight line per annum
Fixtures and fittings	15% straight line per annum

#### Fixed asset investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result on ordinary activities.

#### Stock and work in progress

Stock and work in progress is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

# Sterling Press Limited

## Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

### Deferred tax

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements.

Deferred tax is measured on a discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse.

### Foreign currency

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

### Hire purchase and leasing

Assets held under finance lease contracts are capitalised in the balance sheet and are depreciated in line with the company's depreciation policy. The finance costs relating to the obligation are charged to the profit and loss account on a systematic basis over the life of the relevant contract.

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

### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### Pensions

The company operates money purchase pension schemes. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the schemes.

## 2 Operating profit

Operating profit is stated after charging:

	2015 £	2014 £
Operating leases - plant and machinery	43,432	64,279
Auditor's remuneration - The audit of the company's annual accounts	9,834	9,548
Profit on sale of tangible fixed assets	(65,871)	-
Depreciation of owned assets	1,746,516	1,608,462
Amortisation	12,000	24,000
	<u>          </u>	<u>          </u>

## 3 Exceptional items

	2015 £	2014 £
Loss on sale of fixed assets	-	123,774
Payment to pension scheme	570,000	-
	<u>570,000</u>	<u>123,774</u>

# Sterling Press Limited

## Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

### 4 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2015 No.	2014 No.
Administration and support	58	57
Production	166	152
	<u>224</u>	<u>209</u>

The aggregate payroll costs were as follows:

	2015 £	2014 £
Wages and salaries	7,038,949	6,251,498
Social security costs	664,292	620,909
Staff pensions	717,618	107,411
	<u>8,420,859</u>	<u>6,979,818</u>

### 5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2015 £	2014 £
Directors' remuneration (including benefits in kind)	15,689	24,154
Company contributions paid to money purchase schemes	<u>380,000</u>	<u>-</u>

During the year the number of directors on behalf of whom the company was paying pension contributions was as follows:

	2015 No.	2014 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>-</u>

### 6 Interest payable and similar charges

	2015 £	2014 £
Interest on bank borrowings	104,746	95,283
Other interest payable	203,990	169,045
Finance charges	<u>244,950</u>	<u>315,588</u>
	<u>553,686</u>	<u>579,916</u>

# Sterling Press Limited

## Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

### 7 Taxation

	2015 £	2014 £
<b>Current tax</b>		
Corporation tax charge	180,000	231,000
Adjustments in respect of previous years	<u>(22,390)</u>	<u>(23,557)</u>
UK Corporation tax	157,610	207,443
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>(14,000)</u>	<u>(157,000)</u>
Total tax on profit on ordinary activities	<u><u>143,610</u></u>	<u><u>50,443</u></u>

#### Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 21% (2014 - 23%).

The differences are reconciled below:

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>598,764</u>	<u>442,213</u>
Corporation tax at standard rate	125,740	101,709
Depreciation in excess of capital allowances	39,003	112,280
Other timing differences	(349)	1,784
Expenses not deductible for tax purposes	15,606	15,227
Adjustments in respect of previous years	<u>(22,390)</u>	<u>(23,557)</u>
Total current tax	<u><u>157,610</u></u>	<u><u>207,443</u></u>

### 8 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 April 2014	<u>120,000</u>
At 31 March 2015	<u>120,000</u>
<b>Amortisation</b>	
At 1 April 2014	108,000
Charge for the year	<u>12,000</u>
At 31 March 2015	<u>120,000</u>
<b>Net book value</b>	
At 31 March 2015	<u><u>-</u></u>
At 31 March 2014	<u><u>12,000</u></u>

# Sterling Press Limited

## Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

### 9 Tangible fixed assets

	Asset under the course of construction £	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 April 2014	228,656	72,871	14,481,582	805,203	517,325	16,105,637
Additions	-	235,125	1,304,761	219,748	197,630	1,957,264
Disposals	-	-	(969,234)	(238,738)	(265,917)	(1,473,889)
Transfer	(228,656)	228,656	-	-	-	-
At 31 March 2015	-	536,652	14,817,109	786,213	449,038	16,589,012
<b>Depreciation</b>						
At 1 April 2014	-	61,040	8,264,647	779,251	308,637	9,413,575
Charge for the year	-	28,115	1,565,419	45,525	107,457	1,746,516
Eliminated on disposals	-	-	(969,234)	(238,447)	(237,933)	(1,445,614)
At 31 March 2015	-	89,155	8,860,832	586,329	178,161	9,714,477
<b>Net book value</b>						
At 31 March 2015	-	447,497	5,956,277	199,884	270,877	6,874,535
At 31 March 2014	228,656	11,831	6,216,935	25,952	208,688	6,692,062

### Finance lease assets

Included within the net book value of tangible fixed assets is £5,766,379 (2014 - £5,822,976) in respect of assets held under finance lease agreements. Depreciation for the year on these assets was £1,308,259 (2014 - £1,125,723).

# Sterling Press Limited

## Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

### 10 Investments held as fixed assets

#### Shares in group undertakings and participating interests

	Shares in group undertakings £
<b>Cost</b>	
At 1 April 2014	100
At 31 March 2015	100
<b>Net book value</b>	
At 31 March 2015	100
At 31 March 2014	100

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
<b>Subsidiary undertakings</b>			
Sterling Design Limited	£1 ordinary shares	100%	Dormant

The profit for the financial period of Sterling Design Limited was £nil and the aggregate amount of capital and reserves at the end of the period was £100.

### 11 Stocks

	2015 £	2014 £
Stocks	616,934	357,134
Work in progress	114,987	135,236
	<u>731,921</u>	<u>492,370</u>

# Sterling Press Limited

## Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

### 12 Debtors

	2015 £	2014 £
Trade debtors	4,349,246	4,318,222
Amounts owed by group undertakings	2,039,423	2,039,423
Other debtors	2,225,272	1,884,217
Prepayments and accrued income	182,648	196,860
	<u>8,796,589</u>	<u>8,438,722</u>

Debtors includes £3,819,232 (2014 - £3,635,692) receivable after more than one year.

This can be analysed as follows:

	2015 £	2014 £
Amounts owed by group undertakings	2,039,423	2,039,423
Other debtors	1,779,809	1,596,269
	<u>3,819,232</u>	<u>3,635,692</u>

### 13 Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	4,106,109	3,688,728
Bank loans and overdrafts	2,982,741	2,637,163
Other loans	396,471	128,937
Obligations under finance lease and hire purchase contracts	1,491,639	1,792,837
Corporation tax	180,000	231,000
Other taxes and social security	176,048	167,798
Accruals and deferred income	1,275,070	856,516
	<u>10,608,078</u>	<u>9,502,979</u>

### 14 Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Other loans	851,780	1,088,284
Obligations under finance lease and hire purchase contracts	1,363,717	1,705,542
Directors' current accounts	-	223,243
	<u>2,215,497</u>	<u>3,017,069</u>

Included within other loans is a balance of £663,347 due to a former family member of a director. The loan is repayable by monthly instalments amounting to £19,444.

# Sterling Press Limited

## Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

### Security

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

Bank loans and overdrafts are secured by way of a fixed and floating charge over the assets of the company.

£266,333 (2014 - £281,667) of other loans have been provided by the company's pension scheme. The loans are secured against the company's assets.

### 15 Provisions

	Deferred tax £
At 1 April 2014	384,000
Credited to the profit and loss account	<u>(14,000)</u>
At 31 March 2015	<u>370,000</u>

### Analysis of deferred tax

Deferred tax is provided at 21% (2014 - 21%)

	2015 £	2014 £
Difference between accumulated depreciation and amortisation and capital allowances	428,000	462,000
Other timing differences	<u>(58,000)</u>	<u>(78,000)</u>
	<u>370,000</u>	<u>384,000</u>

### 16 Share capital

#### Allotted, called up and fully paid shares

	2015		2014	
	No.	£	No.	£
Ordinary shares of £1 each	40,000	40,000	40,000	40,000

### 17 Reserves

	Other reserves £	Profit and loss account £	Total £
At 1 April 2014	60,000	2,659,485	2,719,485
Profit for the year	<u>-</u>	455,154	455,154
At 31 March 2015	<u>60,000</u>	<u>3,114,639</u>	<u>3,174,639</u>

# **Sterling Press Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2015**

**..... continued**

### **18 Reconciliation of movement in shareholders' funds**

	2015 £	2014 £
Profit attributable to the members of the company	455,154	391,770
Net addition to shareholders' funds	455,154	391,770
Shareholders' funds at 1 April 2014	2,759,485	2,367,715
Shareholders' funds at 31 March 2015	3,214,639	2,759,485

### **19 Pension schemes**

#### **Defined contribution pension scheme**

The company operates defined contribution pension schemes. The pension cost charge for the year represents contributions payable by the company to the schemes and amounted to £717,618 (2014 - £107,411).

Contributions totalling £16,202 (2014 - £9,385) were payable to the schemes at the end of the year and are included in creditors.

### **20 Contingent liabilities**

The company has signed a cross guarantee in respect of funding taken out by Seckloe 186 Limited, a company controlled by S D Pizzey and J F Pizzey. At the balance sheet date, the amount outstanding in respect of this guarantee was £1,926,058 (2014 - £2,086,723).

# Sterling Press Limited

## Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

### 21 Commitments

#### Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £376,254 (2014 - £503,355).

#### Operating lease commitments

As at 31 March 2015 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2015 £	2014 £
<b>Land and buildings</b>		
Within one year	7,200	10,006
Within two and five years	20,618	-
	<u>27,818</u>	<u>10,006</u>
<b>Other</b>		
Within one year	10,566	-
Within two and five years	-	71,323
	<u>10,566</u>	<u>71,323</u>

### 22 Analysis of net debt

	At 1 April 2014 £	Cash flow £	Other non-cash changes £	At 31 March 2015 £
Cash at bank and in hand	28,279	(23,210)	-	5,069
Bank overdraft	(2,637,163)	(345,578)	-	(2,982,741)
	<u>(2,608,884)</u>	<u>(368,788)</u>	<u>-</u>	<u>(2,977,672)</u>
Debt due within one year	(128,937)	6,922	(274,456)	(396,471)
Debt due after more than one year	(1,311,527)	689,981	(230,234)	(851,780)
Finance leases and hire purchase contracts	(3,498,379)	1,988,320	(1,345,297)	(2,855,356)
Net debt	<u>(7,547,727)</u>	<u>2,316,435</u>	<u>(1,849,987)</u>	<u>(7,081,279)</u>

## **Sterling Press Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2015**

**..... continued**

#### **23 Related party transactions**

##### **Other related party transactions**

During the year the company made the following related party transactions:

J F Pizzey, a director, has made a loan to the company on which interest of £63,279 (2014 - £50,690) was paid during the year. At the year end the loan was repaid. At the balance sheet date the amount due to J F Pizzey was £nil (2014 - £223,243).

E Pizzey, the spouse of S D Pizzey, a director, has made a loan to the company on which interest of £91,764 (2014 - £84,434) was paid in respect of the loan during the year. Interest is charged at commercially agreed rates. At the year end the loan was repaid. At the balance sheet date the amount due to E Pizzey was £nil (2014 - £590,950).

During the year a new loan of £108,000 (2014 - £105,000) was received from a pension scheme of which the directors are beneficiaries. At the balance sheet date the amount due to the pension scheme was £266,333 (2014 - £281,667).

During the year the company was charged rent amounting to £432,000 (2014 - £192,000) by Seckloe 186 Limited, a company under the control of S D Pizzey and J F Pizzey. At the balance sheet date the amount due from Seckloe 186 Limited was £1,779,809 (2014 - £1,596,269).

Family members of S D Pizzey, a director, made loans to the company of £7,000 (2014 - £22,000) during the year. Interest is charged at commercially agreed rates. At the year end the loans were settled. At the balance sheet date the amount due to them was £nil (2014 - £22,000).

During the year the company transferred £700,000 from the loan accounts of E Pizzey and J F Pizzey to a former family member of a director. At the balance sheet date the amount due to her was £663,347 (2014 - £nil).

#### **24 Control**

The company is controlled by Seckloe 297 Limited, a company incorporated in England which owns 100% of the share capital. That company in turn is controlled by S D Pizzey, a director of Sterling Press Limited.