

REGISTERED NUMBER: 02564595 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
FOR
INCA CREATIVE LIMITED

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DIRECTORS:

M J Owen
A K Lucas

SECRETARY:

M J Owen

REGISTERED OFFICE:

378 Brixton Road
London
SW9 7AW

REGISTERED NUMBER:

02564595 (England and Wales)

AUDITORS:

Averillo & Associates
Chartered Accountants
and Registered Auditors
16 South End
Croydon
Surrey
CR0 1DN

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors present their strategic report for the year ended 31 December 2016.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements. The directors are satisfied with the results for the year. Whilst the improvement in the economy continues they believe that the company will enjoy another profitable year.

PRINCIPAL ACTIVITY

The principal activity of the company was the design, retail, manufacture and wholesale of goods.

ON BEHALF OF THE BOARD:

M J Owen - Director

25 September 2017

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016**

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of design, retail, manufacture and wholesale of goods.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2016.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

M J Owen
A K Lucas

DISCLOSURE IN THE STRATEGIC REPORT

Details of the company's activities together with a review of the current and forthcoming years are shown in the Strategic Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2016

AUDITORS

The auditors, Averillo & Associates, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

M J Owen - Director

25 September 2017

We have audited the financial statements of Inca Creative Limited for the year ended 31 December 2016 on pages seven to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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 Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 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, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
INCA CREATIVE LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Peter Nellemose (Senior Statutory Auditor)
for and on behalf of Averillo & Associates
Chartered Accountants
and Registered Auditors
16 South End
Croydon
Surrey
CR0 1DN

25 September 2017

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
TURNOVER	3	12,512,933	13,786,624
Cost of sales		<u>(10,382,664)</u>	<u>(11,480,935)</u>
GROSS PROFIT		2,130,269	2,305,689
Administrative expenses		<u>(2,082,860)</u>	<u>(2,222,747)</u>
OPERATING PROFIT	5	47,409	82,942
Interest receivable and similar income	6	<u>1,196</u>	<u>1,618</u>
PROFIT BEFORE TAXATION		48,605	84,560
Tax on profit	7	<u>(21,861)</u>	<u>(21,634)</u>
PROFIT FOR THE FINANCIAL YEAR		26,744	62,926
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>26,744</u>	<u>62,926</u>

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Tangible assets	8		79,183		105,577
CURRENT ASSETS					
Stocks	9	1,075,228		802,522	
Debtors	10	2,093,091		1,409,910	
Cash at bank		<u>1,158,067</u>		<u>1,469,748</u>	
		4,326,386		3,682,180	
CREDITORS					
Amounts falling due within one year	11	<u>2,376,141</u>		<u>1,782,873</u>	
NET CURRENT ASSETS			<u>1,950,245</u>		<u>1,899,307</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,029,428</u>		<u>2,004,884</u>
PROVISIONS FOR LIABILITIES	12		<u>1,402</u>		<u>3,602</u>
NET ASSETS			<u><u>2,028,026</u></u>		<u><u>2,001,282</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		200		200
Share premium	14		34,965		34,965
Retained earnings	14		<u>1,992,861</u>		<u>1,966,117</u>
SHAREHOLDERS' FUNDS			<u><u>2,028,026</u></u>		<u><u>2,001,282</u></u>

The financial statements were approved by the Board of Directors on 25 September 2017 and were signed on its behalf by:

M J Owen - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2015	200	1,903,191	34,965	1,938,356
Changes in equity				
Total comprehensive income	-	62,926	-	62,926
Balance at 31 December 2015	200	1,966,117	34,965	2,001,282
Changes in equity				
Total comprehensive income	-	26,744	-	26,744
Balance at 31 December 2016	200	1,992,861	34,965	2,028,026

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

		2016 £	2015 £
Cash flows from operating activities	Notes		
Cash generated from operations	1	(287,467)	744,645
Tax paid		(23,852)	(126,136)
Net cash from operating activities		<u>(311,319)</u>	<u>618,509</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(2,995)
Interest received		1,196	1,618
Net cash from investing activities		<u>1,196</u>	<u>(1,377)</u>
Cash flows from financing activities			
Amount withdrawn by directors		(1,558)	(148,857)
Net cash from financing activities		<u>(1,558)</u>	<u>(148,857)</u>
(Decrease)/increase in cash and cash equivalents		<u>(311,681)</u>	<u>468,275</u>
Cash and cash equivalents at beginning of year	2	1,469,748	1,001,473
Cash and cash equivalents at end of year	2	<u>1,158,067</u>	<u>1,469,748</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**
1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before taxation	48,605	84,560
Depreciation charges	26,394	31,920
Finance income	(1,196)	(1,618)
	<u>73,803</u>	<u>114,862</u>
Increase in stocks	(272,706)	(27,065)
Increase in trade and other debtors	(681,623)	(66,813)
Increase in trade and other creditors	<u>593,059</u>	<u>723,661</u>
Cash generated from operations	<u>(287,467)</u>	<u>744,645</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2016

	31.12.16	1.1.16
	£	£
Cash and cash equivalents	<u>1,158,067</u>	<u>1,469,748</u>

Year ended 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	<u>1,469,748</u>	<u>1,001,473</u>

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

1. **STATUTORY INFORMATION**

Inca Creative Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures & equipment	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

3. TURNOVER

The turnover of the company for the year has been derived from its principal activities.

4. EMPLOYEES AND DIRECTORS

	2016	2015
	£	£
Wages and salaries	1,655,422	1,701,096
Other pension costs	12,347	9,947
	<u>1,667,769</u>	<u>1,711,043</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Design and administration	23	26
Manufacturing and warehousing	33	30
	<u>56</u>	<u>56</u>
	2016	2015
	£	£
Directors' remuneration	<u>90,500</u>	<u>72,928</u>

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation - owned assets	26,394	31,920
Foreign exchange differences	(14,702)	(12,166)
Auditors' remuneration	<u>4,500</u>	<u>4,500</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2016	2015
	£	£
Deposit account interest	<u>1,196</u>	<u>1,618</u>

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

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	24,061	23,852
Deferred tax	(2,200)	(2,218)
Tax on profit	<u>21,861</u>	<u>21,634</u>

UK corporation tax has been charged at 20% (2015 - 20%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit before tax	<u>48,605</u>	<u>84,560</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	9,721	16,912
Effects of:		
Expenses not deductible for tax purposes	12,214	5,000
Rounding	(74)	(278)
Total tax charge	<u>21,861</u>	<u>21,634</u>

8. TANGIBLE FIXED ASSETS

COSTAt 1 January 2016
and 31 December 2016**DEPRECIATION**

At 1 January 2016

Charge for year

At 31 December 2016

NET BOOK VALUE

At 31 December 2016

At 31 December 2015

Fixtures & equipment £	Motor vehicles £	Totals £
<u>709,455</u>	<u>8,475</u>	<u>717,930</u>
611,293	1,060	612,353
24,540	1,854	26,394
<u>635,833</u>	<u>2,914</u>	<u>638,747</u>
<u>73,622</u>	<u>5,561</u>	<u>79,183</u>
<u>98,162</u>	<u>7,415</u>	<u>105,577</u>

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

9. STOCKS

	2016	2015
	£	£
Raw materials	21,858	136,820
Work-in-progress	81,844	74,189
Finished goods	971,526	591,513
	<u>1,075,228</u>	<u>802,522</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	1,725,118	1,170,998
Other debtors	89,074	51,904
Directors' current accounts	59,468	57,910
VAT	219,431	87,562
Prepayments and accrued income	-	41,536
	<u>2,093,091</u>	<u>1,409,910</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	1,642,868	1,114,168
Corporation tax	24,061	23,852
Social security and other taxes	46,861	38,166
Accruals and deferred income	662,351	606,687
	<u>2,376,141</u>	<u>1,782,873</u>

12. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax	<u>1,402</u>	<u>3,602</u>
		Deferred tax
		£
Balance at 1 January 2016		3,602
Credit to Statement of Comprehensive Income during year		(2,200)
Balance at 31 December 2016		<u>1,402</u>

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

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
70	A	£1	70	70
30	B	£1	30	30
100	C	£1	100	100
			<u>200</u>	<u>200</u>

14. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 January 2016	1,966,117	34,965	2,001,082
Profit for the year	26,744		26,744
At 31 December 2016	<u>1,992,861</u>	<u>34,965</u>	<u>2,027,826</u>

15. CONTINGENT LIABILITIES

The company had no contingent liabilities at the year end.

16. CAPITAL COMMITMENTS

The company had no capital commitments at the year end.

17. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2016 and 31 December 2015:

	2016 £	2015 £
M J Owen		
Balance outstanding at start of year	57,910	-
Amounts advanced	1,558	57,910
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>59,468</u>	<u>57,910</u>

18. RELATED PARTY DISCLOSURES

Anthony Lucas is a 75% shareholder in Inca Shopfitting Limited from whom the company made purchases of £1,030,340 (2015: £778,051) on normal commercial terms. At 31 December 2016 £305,548 (2015: £299,723) was due from that company.

19. POST BALANCE SHEET EVENTS

There are no significant Post Balance Sheet Events to report.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.