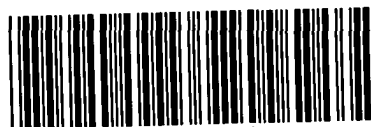


Gordano Support Group Limited
Financial Statements
30 September 2016

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Gordano Support Group Limited

Financial Statements

Year ended 30 September 2016

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Gordano Support Group Limited

Officers and Professional Advisers

The board of directors

M J Bull
A F Moore
J E Bull
N J Bull
T J Patch
P J Roberts

Company secretary

Mrs J M Wills

Registered office

Barns Ground
Kenn
Clevedon
Avon
BS21 6ST

Auditor

Grant Thornton UK LLP
Chartered accountant & statutory auditor
11-13 Penhill Road
Cardiff
CF11 9UP

Bankers

Barclays Bank PLC
128 High Street
Cheltenham
Gloucestershire
GL50 1EL

Gordano Support Group Limited

Strategic Report

Year ended 30 September 2016

Principal trading activity

The principal activity of the company during the year was that of the provision of packaging and related services.

Business review

The results for the year and financial position of the company are as shown in the annexed financial statements.

The directors are further pleased to report that trading following the year end has shown increased performance by the company in the current year, and the directors expect to report an increase in turnover and profits for the year ended 30 September 2017.

Financial instruments and risk review

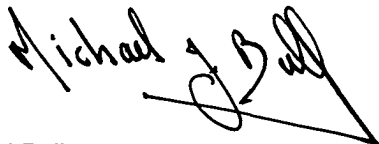
The company's financial instruments comprise of cash at bank, overdrafts and bank loans. The main purpose of these financial instruments is to raise adequate finance for the company's operations.

The main risks arising from the company's financial instruments are interest rate fluctuations and liquidity risk. It is the company's policy to finance its operations through a mixture of cash and borrowings and to review periodically the mix of these instruments with regard to the projected cashflow requirements of the company and an acceptable level of risk exposure.

Financial key performance indicators

The company's financial KPIs are turnover and gross profit margin as reflected in the financial statements, and these will continue to be the focus in the coming year.

This report was approved by the board of directors on 30 June 17 and signed on behalf of the board by:



M J Bull
Director

Registered office:
Barns Ground
Kenn
Clevedon
Avon
BS21 6ST

Gordano Support Group Limited

Directors' Report

Year ended 30 September 2016

The directors present their report and the financial statements of the company for the year ended 30 September 2016.

Directors

The directors who served the company during the year were as follows:

M J Bull
A F Moore
J E Bull
N J Bull
T J Patch
P J Roberts

Dividends

Particulars of recommended dividends are detailed in note 10 to the financial statements.

Disclosure of information in the strategic report

In accordance with section 414C(11) of the Companies Act 2006 and schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 the company has elected to present the business review and details of the principal risks and uncertainties within the strategic report shown on page 2.

Directors' responsibilities statement

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 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 judgments 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.

Gordano Support Group Limited

Directors' Report *(continued)*

Year ended 30 September 2016

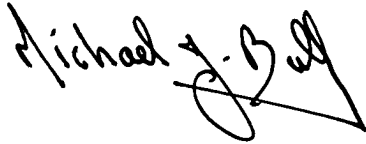
Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 30 June 2017 and signed on behalf of the board by:



M J Bull
Director

Registered office:
Barns Ground
Kenn
Clevedon
Avon
BS21 6ST



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Gordano Support Group Limited

Independent Auditor's Report to the Members of Gordano Support Group Limited

Year ended 30 September 2016

We have audited the financial statements of Gordano Support Group Limited for the year ended 30 September 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 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, 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

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 30 September 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 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 the financial statements.



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Gordano Support Group Limited

Independent Auditor's Report to the Members of Gordano Support Group Limited *(continued)*

Year ended 30 September 2016

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.

Rhian Owen (Senior Statutory Auditor)

For and on behalf of
Grant Thornton UK LLP
Chartered accountant & statutory auditor
11-13 Penhill Road
Cardiff
CF11 9UP

30 June 2017

Gordano Support Group Limited

Statement of Comprehensive Income

Year ended 30 September 2016

	Note	2016 £	2015 £
Turnover	4	8,352,618	7,909,477
Cost of sales		5,184,374	5,049,539
Gross profit		3,168,244	2,859,938
Distribution costs		286,578	271,798
Administrative expenses		2,468,485	2,311,395
Operating profit	5	413,181	276,745
Other interest receivable and similar income		15	—
Interest payable and similar charges	8	69,515	73,112
Profit on ordinary activities before taxation		343,681	203,633
Tax on profit on ordinary activities	9	51,342	46,112
Profit for the financial year		292,339	157,521
Revaluation of tangible assets		—	463,793
Tax relating to components of other comprehensive income		15,047	(54,463)
Other comprehensive income for the year		15,047	409,330
Total comprehensive income for the year		307,386	566,851

All the activities of the company are from continuing operations.

The notes on pages 11 to 23 form part of these financial statements.

Gordano Support Group Limited

Statement of Financial Position

30 September 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	11	3,053,835	3,026,339
Investments	12	200	200
		<u>3,054,035</u>	<u>3,026,539</u>
Current assets			
Stocks	13	610,477	582,382
Debtors	14	2,152,848	1,840,117
Cash at bank and in hand		11,655	12,460
		<u>2,774,980</u>	<u>2,434,959</u>
Creditors: amounts falling due within one year	16	<u>2,309,755</u>	<u>1,962,067</u>
Net current assets		<u>465,225</u>	<u>472,892</u>
Total assets less current liabilities		<u>3,519,260</u>	<u>3,499,431</u>
Creditors: amounts falling due after more than one year	17	885,785	1,058,248
Provisions			
Taxation including deferred tax	19	98,485	113,579
Net assets		<u>2,534,990</u>	<u>2,327,604</u>
Capital and reserves			
Called up share capital	23	16,045	16,045
Revaluation reserve	24	1,085,641	1,084,432
Capital redemption reserve	24	3,955	3,955
Profit and loss account	24	1,429,349	1,223,172
Members funds		<u>2,534,990</u>	<u>2,327,604</u>

These financial statements were approved by the board of directors and authorised for issue on 30 June 2017 and are signed on behalf of the board by:



M J Bull
Director

Company registration number: 02637971

The notes on pages 11 to 23 form part of these financial statements.

Gordano Support Group Limited

Statement of Changes in Equity

Year ended 30 September 2016

	Note	Called up share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 October 2014		16,045	684,971	3,955	1,134,582	1,839,553
Profit for the year					157,521	157,521
Other comprehensive income for the year:						
Revaluation of tangible assets	11	–	463,793	–	–	463,793
Reclassification from revaluation reserve to profit and loss account		–	(9,869)	–	9,869	–
Tax relating to components of other comprehensive income	9	–	(54,463)	–	–	(54,463)
Total comprehensive income for the year		–	399,461	–	167,390	566,851
Dividends paid and payable	10	–	–	–	(78,800)	(78,800)
Total investments by and distributions to owners		–	–	–	(78,800)	(78,800)
At 30 September 2015		16,045	1,084,432	3,955	1,223,172	2,327,604
Profit for the year					292,339	292,339
Other comprehensive income for the year:						
Reclassification from revaluation reserve to profit and loss account		–	(13,838)	–	13,838	–
Tax relating to components of other comprehensive income	9	–	15,047	–	–	15,047
Total comprehensive income for the year		–	1,209	–	306,177	307,386
Dividends paid and payable	10	–	–	–	(100,000)	(100,000)
Total investments by and distributions to owners		–	–	–	(100,000)	(100,000)
At 30 September 2016		16,045	1,085,641	3,955	1,429,349	2,534,990

The notes on pages 11 to 23 form part of these financial statements.

Gordano Support Group Limited

Statement of Cash Flows

Year ended 30 September 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the financial year		292,339	157,521
<i>Adjustments for:</i>			
Depreciation of tangible assets		162,006	157,975
Other interest receivable and similar income		(15)	–
Interest payable and similar charges		69,515	73,112
Loss/(gains) on disposal of tangible assets		5,467	(5,696)
Tax on profit on ordinary activities		51,342	46,112
Accrued expenses		58,787	39,946
<i>Changes in:</i>			
Stocks		(28,095)	52,455
Trade and other debtors		(312,731)	(302,603)
Trade and other creditors		205,323	(69,254)
Cash generated from operations		503,938	149,568
Interest paid		(69,515)	(73,112)
Interest received		15	–
Tax paid		(37,039)	(63,529)
Net cash from operating activities		<u>397,399</u>	<u>12,927</u>
Cash flows from investing activities			
Purchase of tangible assets		(199,719)	(185,130)
Proceeds from sale of tangible assets		4,750	11,000
Net cash used in investing activities		<u>(194,969)</u>	<u>(174,130)</u>
Cash flows from financing activities			
Proceeds from borrowings		(97,193)	(92,242)
Payments of finance lease liabilities		(45,565)	53,092
Dividends paid		(100,000)	(78,800)
Net cash used in financing activities		<u>(242,758)</u>	<u>(117,950)</u>
Net decrease in cash and cash equivalents		<u>(40,328)</u>	<u>(279,153)</u>
Cash and cash equivalents at beginning of year		<u>(245,031)</u>	<u>34,122</u>
Cash and cash equivalents at end of year	15	<u>(285,359)</u>	<u>(245,031)</u>

The notes on pages 11 to 23 form part of these financial statements.

Gordano Support Group Limited

Notes to the Financial Statements

Year ended 30 September 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Barns Ground, Kenn, Clevedon, Avon, BS21 6ST.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The company has taken advantage of the available exemption under s405(2) of the Companies Act 2006 on the basis the company's subsidiaries were dormant in the year as such are not material to the year end position and for the purpose of giving a true and fair view.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 October 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 28.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements:

Depreciation

The directors exercise judgements in order to determine the useful lives and residual values of tangible fixed assets. The assets are depreciated down to their residual values over their estimated lives.

Deemed cost

The directors have opted to utilise the deemed cost election upon transition to FRS102 for the leasehold property. The revalued amount is based on an independent professional valuation undertaken on 10 June 2016 by RICS registered valuers Carter Baynes Limited. The directors are confident that this valuation is materially correct and have critically assessed the valuation methodology and underlying assumptions.

Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Revenue is recognised when the significant risks and benefits of ownership of the goods have transferred to the buyer, which may be upon shipment, completion of the product or the product being ready for delivery, based on specific contract terms.

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

3. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

In accordance with section 35 of FRS102 the directors have chosen to adopt the cost model for leasehold premises previously held under the revaluation model. The directors have elected to use a previous revaluation of this asset as its deemed cost at the transition date.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	- 2% straight line
Plant and machinery	- 15% straight line
Fixtures and fittings	- 10% - 15% straight line
Motor vehicles	- 25% straight line
Computer equipment	- 33% straight line
Commercial vehicles	- 25% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

4. Turnover

Turnover arises from:

	2016 £	2015 £
Sale of goods	<u>8,352,618</u>	<u>7,909,477</u>

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2016 £	2015 £
United Kingdom	8,210,283	7,842,316
Overseas	<u>142,335</u>	<u>67,161</u>
	<u>8,352,618</u>	<u>7,909,477</u>

5. Operating profit

Operating profit or loss is stated after charging:

	2016 £	2015 £
Depreciation of tangible assets	162,006	157,975
Loss/(gains) on disposal of tangible assets	5,467	(5,696)
Impairment of trade debtors	47	1,277
Fees payable for the audit of the financial statements	<u>10,500</u>	<u>10,500</u>

6. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016 No.	2015 No.
Production staff	81	78
Administrative staff	23	24
Management staff	<u>6</u>	<u>4</u>
	<u>110</u>	<u>106</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2016 £	2015 £
Wages and salaries	2,569,422	2,423,496
Social security costs	248,036	223,019
Other pension costs	<u>39,162</u>	<u>36,818</u>
	<u>2,856,620</u>	<u>2,683,333</u>

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

7. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2016	2015
	£	£
Remuneration	345,190	190,585
Company contributions to defined contribution pension plans	20,485	20,485
	<u>365,675</u>	<u>211,070</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2016	2015
	No.	No.
Defined contribution plans	<u>4</u>	<u>4</u>

Remuneration of the highest paid director in respect of qualifying services:

	2016	2015
	£	£
Aggregate remuneration	98,270	70,000
Company contributions to defined contribution pension plans	10,000	8,000
	<u>108,270</u>	<u>78,000</u>

8. Interest payable and similar charges

	2016	2015
	£	£
Interest on banks loans and overdrafts	8,718	8,327
Interest on obligations under finance leases and hire purchase contracts	5,658	4,358
Other interest payable and similar charges	55,139	60,427
	<u>69,515</u>	<u>73,112</u>

9. Tax on profit on ordinary activities

Major components of tax expense

	2016	2015
	£	£
Current tax:		
UK current tax expense	77,278	48,310
Adjustments in respect of prior periods	(25,889)	(11,271)
Total current tax	<u>51,389</u>	<u>37,039</u>
Deferred tax:		
Origination and reversal of timing differences	(47)	9,073
Tax on profit on ordinary activities	<u>51,342</u>	<u>46,112</u>

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

9. Tax on profit on ordinary activities *(continued)*

Tax recognised as other comprehensive income or equity

The aggregate current and deferred tax relating to items recognised as other comprehensive income or equity for the year was £(15,047) (2015: £54,463).

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

	2016 £	2015 £
Profit on ordinary activities before taxation	343,681	203,633
Profit on ordinary activities by rate of tax	68,736	40,727
Adjustment to tax charge in respect of prior periods	(25,889)	(11,271)
Effect of expenses not deductible for tax purposes	10,976	6,662
Effect of capital allowances and depreciation	(2,434)	921
Deferred tax	(47)	9,073
Tax on profit on ordinary activities	51,342	46,112

10. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2016 £	2015 £
Dividends on equity shares	100,000	78,800

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

11. Tangible assets

	Leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Commercial vehicles £	Total £
Cost						
At 1 Oct 2015	2,500,000	781,457	652,040	155,418	113,011	4,201,926
Additions	41,781	73,461	62,982	21,495	–	199,719
Disposals	–	–	–	(17,494)	–	(17,494)
At 30 Sep 2016	2,541,781	854,918	715,022	159,419	113,011	4,384,151
Depreciation						
At 1 Oct 2015	–	507,051	578,641	37,566	52,329	1,175,587
Charge for the year	51,871	39,019	28,547	27,307	15,262	162,006
Disposals	–	–	–	(7,277)	–	(7,277)
At 30 Sep 2016	51,871	546,070	607,188	57,596	67,591	1,330,316
Carrying amount						
At 30 Sep 2016	2,489,910	308,848	107,834	101,823	45,420	3,053,835
At 30 Sep 2015	2,500,000	274,406	73,399	117,852	60,682	3,026,339

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
At 30 September 2016	59,241	31,164	96,823	187,228
At 30 September 2015	71,829	41,580	100,712	214,121

12. Investments

	Shares in group undertaking s £
Cost	
At 1 Oct 2015 and 30 Sep 2016	200
Impairment	
At 1 Oct 2015 and 30 Sep 2016	–

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

12. Investments *(continued)*

	Shares in group undertakings £
Carrying amount At 30 September 2016	<u>200</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

	Percentage of shareholdings	Number of shares held	2016 £
Gordano Packaging Limited (Dormant)	100	100	100
Gordano Support Limited (Dormant)	100	<u>100</u>	<u>100</u>
Total		<u>200</u>	<u>200</u>

The capital and reserves and retained profits for the financial year ended 30 September 2016 of the undertakings were as follows:

	Retained Profit/ (Loss) for the year £	Capital and reserves £
Gordano Packaging Limited	–	100
Gordano Support Limited	–	<u>100</u>

Both subsidiary companies have remained dormant throughout the period.

13. Stocks

	2016 £	2015 £
Raw materials and consumables	<u>610,477</u>	<u>582,382</u>

14. Debtors

	2016 £	2015 £
Trade debtors	2,083,628	1,779,439
Prepayments and accrued income	<u>69,220</u>	<u>60,678</u>
	<u>2,152,848</u>	<u>1,840,117</u>

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

15. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2016 £	2015 £
Cash at bank and in hand	11,655	12,460
Bank overdrafts	<u>(297,014)</u>	<u>(257,491)</u>
	<u>(285,359)</u>	<u>(245,031)</u>

16. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	425,494	356,918
Trade creditors	1,186,824	990,532
Accruals and deferred income	340,620	281,833
Corporation tax	51,389	37,039
Social security and other taxes	249,687	240,656
Obligations under finance leases and hire purchase contracts	<u>55,741</u>	<u>55,089</u>
	<u>2,309,755</u>	<u>1,962,067</u>

The bank overdraft is secured on the book debts of the company. The bank loans are secured by a charge over the company's leasehold premises.

17. Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	837,676	963,922
Obligations under finance leases and hire purchase contracts	<u>48,109</u>	<u>94,326</u>
	<u>885,785</u>	<u>1,058,248</u>

The bank loans are secured by a charge over the company's leasehold premises.

The property loan commenced in 2005 and is repayable in equal monthly instalments (allowing for an initial capital holiday of 24 months) over a period of 20 years. Interest is charged at 1.85% above base rate.

A further loan of £98,500 commenced in October 2012 in relation to the expansion of premises, and is repayable in equal monthly instalments over a period of 10 years with interest charged at variable rate of 3.75% above base rate.

Included within creditors: amounts falling due after more than one year is an amount of £Nil (2015: £227,286) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

18. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2016 £	2015 £
Not later than 1 year	55,741	55,089
Later than 1 year and not later than 5 years	48,109	94,326
	<u>103,850</u>	<u>149,415</u>

19. Provisions

	Deferred tax (note 20) £
At 1 October 2015	113,579
Charge against provision	(15,094)
At 30 September 2016	<u>98,485</u>

20. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016 £	2015 £
Included in provisions (note 19)	<u>98,485</u>	<u>113,579</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016 £	2015 £
Accelerated capital allowances	66,646	66,693
Revaluation of tangible assets	31,839	46,886
	<u>98,485</u>	<u>113,579</u>

21. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £39,162 (2015: £36,818).

22. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016 £	2015 £
Financial assets measured at fair value through profit or loss		
Financial assets measured at fair value through profit or loss	<u>11,655</u>	<u>12,460</u>

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

22. Financial instruments *(continued)*

	2016 £	2015 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>2,083,628</u>	<u>1,779,439</u>
Financial liabilities measured at fair value through profit or loss		
Financial liabilities measured at fair value through profit or loss	<u>297,014</u>	<u>257,491</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>2,570,815</u>	<u>2,458,494</u>

Financial assets measured at fair value comprise of cash.

Financial assets measured at amortised cost comprise of trade debtors.

Financial liabilities measured at fair value comprise of bank overdrafts.

Financial liabilities measured at amortised cost comprise of trade creditors, accruals, obligations under finance leases and hire purchase agreements, together with bank loan commitments.

23. Called up share capital

Authorised share capital

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>16,045</u>	<u>16,045</u>	<u>16,045</u>	<u>16,045</u>

24. Reserves

Revaluation reserve - This reserve represents the difference between accounting cost and revalued property where the deemed cost election has been taken. The reserve also includes movements in the deferred tax provision arising on the difference between tax base cost and the carrying value of property where this election has been taken.

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

Profit and loss account - This reserve records retained earnings and accumulated losses.

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

25. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2015
	£	£
Not later than 1 year	9,623	4,314
Later than 1 year and not later than 5 years	394,559	438,783
Later than 5 years	940,000	987,000
	<u>1,344,182</u>	<u>1,430,097</u>

26. Related party transactions

The director M J Bull controls the company by virtue of holding a controlling interest in the issued share capital.

During the year the directors received dividends from the company totalling £83,459 (2015 - £65,766).

During the year, Roberts & Co (Bristol) Limited, a company in which the director, Mr P Roberts, holds a controlling interest, provided services to the company totalling £40,910.

At the balance sheet date the company owed Roberts & Co (Bristol) Limited a balance of £11,868 in respect of services provided.

During the year the company made ground rent payments totalling £47,000 to the GPL Executive Pension Trust, a pension scheme in which the directors, M J Bull, N J Bull and J E Bull, are trustees.

The above ground rental is at market-value and is subject to a lease term of 35 years commencing 16 January 2001. The associated remaining total lease commitment of £940,000 (£47,000 per annum for 20 years) is disclosed within note 25 in respect of operating lease commitments.

27. Controlling party

Gordano Support Group Limited is under the control of M J Bull and his close family who own 91.5% of the issued share capital.

28. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 October 2014.

Gordano Support Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 September 2016

28. Transition to FRS 102 *(continued)*

Reconciliation of equity

	1 October 2014			30 September 2015		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	2,540,895	–	2,540,895	3,026,539	–	3,026,539
Current assets	2,206,473	–	2,206,473	2,434,959	–	2,434,959
Creditors: amounts falling due within one year	(1,811,608)	–	(1,811,608)	(1,962,067)	–	(1,962,067)
Net current assets	394,865	–	394,865	472,892	–	472,892
Total assets less current liabilities	2,935,760	–	2,935,760	3,499,431	–	3,499,431
Creditors: amounts falling due after more than one year	(1,046,164)	–	(1,046,164)	(1,058,248)	–	(1,058,248)
Provisions	(57,620)	7,577	(50,043)	(66,693)	(46,886)	(113,579)
Net assets	1,831,976	7,577	1,839,553	2,374,490	(46,886)	2,327,604
Capital and reserves	1,831,976	7,577	1,839,553	2,374,490	(46,886)	2,327,604

Reconciliation of profit or loss for the year

No transitional adjustments were required.

Under FRS102, the accounting policies that an entity uses in its opening statement of financial position under FRS102 may differ from those it applied for the same date using the previous financial reporting framework. The directors have therefore chosen to adopt the cost model for land and buildings previously carried under the revaluation model under old UK GAAP.

Following the above election to apply the deemed cost election, there is a difference between tax base cost and carrying value. Under FRS102, deferred tax is recognised on this difference.