

**ACE ENVELOPES LIMITED
ANNUAL REPORT AND
UNAUDITED FINANCIAL STATEMENTS
31 DECEMBER 2016**

ACE ENVELOPES LIMITED

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ACE ENVELOPES LIMITED

BALANCE SHEET 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	<u>4</u>	3,309	5,948
Current assets			
Debtors	<u>5</u>	457,438	201,460
Cash at bank and in hand		<u>2,180</u>	<u>941</u>
		459,618	202,401
Creditors: Amounts falling due within one year	<u>6</u>	<u>(324,777)</u>	<u>(105,553)</u>
Net current assets		<u>134,841</u>	<u>96,848</u>
Net assets		<u>138,150</u>	<u>102,796</u>
Capital and reserves			
Called up share capital		115	115
Share premium reserve		4,998	4,998
Profit and loss account		<u>133,037</u>	<u>97,683</u>
Total equity		<u>138,150</u>	<u>102,796</u>

For the financial year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 3 to 8 form an integral part of these financial statements.

ACE ENVELOPES LIMITED

BALANCE SHEET **31 DECEMBER 2016**

Approved and authorised by the director on 13 September 2017

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Mr M S Farrimond

Director

Company Registration Number: 02978480

The notes on pages 3 to 8 form an integral part of these financial statements.

ACE ENVELOPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2016

1 General information

The company is a private company limited by share capital incorporated in England.

The address of its registered office is:

The Clock Tower
Bridge Street
Walton-on-Thames
Surrey
KT12 1AY

The principal place of business is:

Oak Tree House
West Craven Drive
Earby
Lancashire
England
BB18 6JZ

The principal activity of the company is that of printing and supply of overprinted envelopes.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Non adjusting events after the financial period

The current assets and liabilities, other than the group indebtedness, were transferred to the parent company, The Envelope Works Limited on 1st January 2017.

The Envelope Works Limited has undertaken to meet the on-going liabilities to external funders of the company and therefore these financial statements have been prepared on a going concern basis with no re-statement of balances.

ACE ENVELOPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2016

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	25% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

ACE ENVELOPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2016

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 10 (2015 - 2).

ACE ENVELOPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2016

4 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 January 2016	10,417	10,417
Additions	1,200	1,200
At 31 December 2016	11,617	11,617
Depreciation		
At 1 January 2016	4,469	4,469
Charge for the year	3,839	3,839
At 31 December 2016	8,308	8,308
Carrying amount		
At 31 December 2016	3,309	3,309
At 31 December 2015	5,948	5,948

5 Debtors

	Note	2016 £	2015 £
Trade debtors		218,652	52,537
Amounts owed by group undertakings and undertakings in which the company has a participating interest	7	234,443	122,838
Other debtors		4,343	26,085
Total current trade and other debtors		457,438	201,460

ACE ENVELOPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2016

6 Creditors

	Note	2016 £	2015 £
Due within one year			
Trade creditors		84,310	52,990
Taxation and social security		22,662	2,893
Other creditors		217,805	49,670
		<u>324,777</u>	<u>105,553</u>

7 Related party transactions

Summary of transactions with parent

The Envelope Works Limited

During the year the company made purchases and operated a loan account with its parent company.

Summary of transactions with other related parties

The Reel Envelope Company Limited

During the year the company made purchases and operated a loan account with its fellow subsidiary company.

Loans to related parties

	Parent £	Other related parties £
2016		
At start of period	107,717	15,122
Advanced	81,443	30,135
	<u>189,160</u>	<u>45,257</u>
At end of period		
	<u>189,160</u>	<u>45,257</u>
	Parent £	Other related parties £
2015		
At start of period	42,658	-
Advanced	65,059	15,122
	<u>107,717</u>	<u>15,122</u>
At end of period		
	<u>107,717</u>	<u>15,122</u>

ACE ENVELOPES LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2016

8 Parent and ultimate parent undertaking

The company's immediate parent is The Envelope Works Limited, incorporated in England.

The ultimate controlling parties are Mr M S Farrimond and Simon Holdings Plc.

9 Transition to FRS 102

The company's financial position and financial performance has not been affected by the transition to FRS 102 on 1st January 2015.

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.