Registered number: 03049893

IVORY & LEDOUX HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

IVORY & LEDOUX HOLDINGS LIMITED

COMPANY INFORMATION

Directors	S B Glazer (died 28 September 2017) D Ellman B Ben-Ari M Teperson D M Ellman W Bignell (appointed 1 June 2018)
Company secretary	B Ben-Ari
Registered number	03049893
Registered office	201 Haverstock Hill London NW3 4QG
Independent auditors	Harris & Trotter LLP Chartered Accountants & Statutory Auditors 64 New Cavendish Street London W1G 8TB

IVORY & LEDOUX HOLDINGS LIMITED

CONTENTS

The following pages do not form part of the statutory financial statements:

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

Introduction

The directors present their report and financial statements for the year ended 31 December 2017.

Business review

The principal activity of the group continued to be that of food importers, distributors and international traders.

The directors are satisfied with the performance and growth of the business in the year. In April 2017 the group purchased the entire share capital of Gloe & Zeitz BV, a company trading in the Netherlands, which specialises in the importation and sale of preserved food. This year's results include 8 months of turnover subsequent to the acquisition of Gloe & Zeitz BV.

The key financial highlights are as follows:-

	2017	2016	2015	2014
	£	£	£	£
Turnover	**52,566,987**	**34,319,890**	**38,615,668**	**43,895,559**
Gross profit	**3,969,769**	**2,410,218**	**2,971,450**	**3,416,406**
Operating profit	**529,322**	**215,774**	**789,723**	**1,124,582**
Profit on ordinary activities before taxation	**307,059**	**117,872**	**624,972**	**942,615**
Shareholders' funds	**4,020,994**	**3,833,410**	**4,018,572**	**3,828,933**

Principal risks and uncertainties

The group's principal financial instruments comprise of bank balances, bank overdrafts, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the group's operations and to finance the group's operations.

Due to the nature of the financial instruments used by the group there is no exposure to price risk. The group's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and the flexibility through the use of overdrafts at floating rates of interest. The group 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 group continues to take out credit insurance for trade debtors.

Trade creditor liquidity risk is managed by ensuring sufficient funds are available to meet amount due.

Employee involvement

The group is committed to providing equality of opportunity to all employees without discrimination and applied fair and equitable employment policies which ensure entry and progression within the group. Appointments are determined solely by application of job criteria and competency.

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

Environmental policy

The group will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The group has complied with all applicable legislation and regulations.

Donations

During the year the group made £9,195 (2016: £12,969) of charitable donations.

This report was approved by the board and signed on its behalf.

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B Ben-Ari
Director

Date: 14 September 2018

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Directors

The directors who served during the year were:

S B Glazer (died 28 September 2017)
D Ellman
B Ben-Ari
M Teperson
D M Ellman

The directors regret to report that Stephen Glazer passed away on 28 September 2017. They wish to place on record their appreciation in respect of the part that Stephen played in the development of the company.

Subsequent to the year end Warren Bignell was appointed as Company CEO on 1 June 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 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'. 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 Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £236,010 *(2016 - £89,838)*.

A dividend of £50,000 (2016: £275,000) has been paid during the year.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

The auditors, Harris & Trotter LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

B Ben-Ari
Director
Date: 14 September 2018

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IVORY & LEDOUX HOLDINGS LIMITED

Opinion

We have audited the financial statements of Ivory & Ledoux Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2017, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2017 and of the Group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IVORY & LEDOUX HOLDINGS LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IVORY & LEDOUX HOLDINGS LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Stephen Haffner (Senior statutory auditor)

for and on behalf of
Harris & Trotter LLP

Chartered Accountants
Statutory Auditors

64 New Cavendish Street
London
W1G 8TB

14 September 2018

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	*2016* *£*
Turnover	4	**52,566,987**	*34,319,890*
Cost of sales		**(48,597,218)**	*(31,909,672)*
Gross profit		**3,969,769**	*2,410,218*
Distribution costs		**(328,978)**	*-*
Administrative expenses		**(3,111,469)**	*(2,194,444)*
Operating profit	5	**529,322**	*215,774*
Interest payable and expenses	9	**(222,263)**	*(97,902)*
Profit before taxation		**307,059**	*117,872*
Tax on profit	10	**(71,049)**	*(28,034)*
Profit for the financial year		**236,010**	*89,838*
Currency translation differences		**1,574**	*-*
Other comprehensive income for the year		**1,574**	*-*
Total comprehensive income for the year		**237,584**	*89,838*
Profit for the year attributable to:			
Owners of the parent Company		**236,010**	*89,838*
		236,010	*89,838*
Total comprehensive income for the year attributable to:			
Owners of the parent Company		**237,584**	*89,838*
		237,584	*89,838*

The notes on pages 14 to 31 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note		2017 £		2016 £
Fixed assets					
Intangible assets			251,601		-
Tangible assets	13		41,836		34,634
			293,437		34,634
Current assets					
Stocks	15	13,310,202		6,206,834	
Debtors	16	8,320,007		4,952,737	
Cash at bank and in hand		5,034		-	
		21,635,243		11,159,571	
Creditors: amounts falling due within one year	18	(14,844,744)		(7,360,795)	
Net current assets			6,790,499		3,798,776
Creditors: amounts falling due after more than one year			(3,062,942)		-
Net assets			4,020,994		3,833,410
Capital and reserves					
Called up share capital	23		600,000		600,000
Capital redemption reserve	22		64,202		64,202
Profit and loss account	22		3,356,792		3,169,208
			4,020,994		3,833,410

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 September 2018.

B Ben-Ari
Director

W Bignell
Director

The notes on pages 14 to 31 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note		2017 £		2016 £
Fixed assets					
Investments	14		**600,789**		*600,789*
			600,789		*600,789*
Current assets					
Debtors	16	**482**		*482*	
		482		*482*	
Total assets less current liabilities			**601,271**		*601,271*
Net assets excluding pension asset			**601,271**		*601,271*
Net assets			**601,271**		*601,271*
Capital and reserves					
Called up share capital	23		**600,000**		*600,000*
Profit and loss account	22		**1,271**		*1,271*
			601,271		*601,271*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 September 2018.

B Ben-Ari
Director

W Bignell
Director

The notes on pages 14 to 31 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	600,000	64,202	3,354,370	4,018,572
Comprehensive income for the year				
Profit for the year	-	-	89,838	89,838
Dividends: Equity capital	-	-	(275,000)	(275,000)
At 1 January 2017	600,000	64,202	3,169,208	3,833,410
Comprehensive income for the year				
Profit for the year	-	-	236,010	236,010
Currency translation differences	-	-	1,574	1,574
Dividends: Equity capital	-	-	(50,000)	(50,000)
At 31 December 2017	600,000	64,202	3,356,792	4,020,994

The notes on pages 14 to 31 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	600,000	1,271	601,271
Comprehensive income for the year			
Profit for the year	-	275,000	275,000
Dividends: Equity capital	-	(275,000)	(275,000)
At 1 January 2017	600,000	1,271	601,271
Comprehensive income for the year			
Profit for the year	-	50,000	50,000
Dividends: Equity capital	-	(50,000)	(50,000)
At 31 December 2017	600,000	1,271	601,271

The notes on pages 14 to 31 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	**236,010**	*89,838*
Adjustments for:		
Amortisation of intangible assets	**30,237**	-
Depreciation of tangible assets	**41,517**	*41,313*
Interest paid	**222,263**	*97,902*
Taxation charge	**71,049**	*28,034*
(Increase) in stocks	**(1,063,545)**	*(252,497)*
(Increase)/decrease in debtors	**(1,521,251)**	*635,001*
(Decrease) in creditors	**(243,612)**	*(227,878)*
Increase in amounts owed to groups	**1,168,293**	-
Corporation tax (paid)	**(32,920)**	*(130,333)*
Currency translation differences	**6,312**	-
Net cash generated from operating activities	**(1,085,647)**	*281,380*
Cash flows from investing activities		
Purchase of intangible fixed assets	**(139,808)**	-
Purchase of tangible fixed assets	**(5,292)**	-
Net cash paid for subsidiaries	**(3,384,071)**	-
Net cash aquired on acquisition of subsidiary	**16,000**	-
Net cash from investing activities	**(3,513,171)**	-

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	*2016* *£*
Cash flows from financing activities		
New secured loans	**2,182,500**	-
Dividends paid	**(50,000)**	*(275,000)*
Interest paid	**(222,263)**	*(97,902)*
Net cash used in financing activities	**1,910,237**	*(372,902)*
Net (decrease) in cash and cash equivalents	**(2,688,581)**	*(91,522)*
Cash and cash equivalents at beginning of year	**(3,200,732)**	*(3,109,210)*
Cash and cash equivalents at the end of year	**(5,889,313)**	*(3,200,732)*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**5,034**	-
Bank overdrafts	**(5,894,347)**	*(3,200,732)*
	(5,889,313)	*(3,200,732)*

The notes on pages 14 to 31 form part of these financial statements.

1. General information

The company is limited by shares and incorporated in England. The registered office and principal place of business is 201 Haverstock Hill, London, NW3 4QG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of Group and its own subsidiaries ("the Group") as they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2015.

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

2. Accounting policies (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

The estimated useful lives range as follows:

Leasehold improvements	-	Straight line over period from acquisition to date of next rent review
Fixtures and fittings	-	Straight line over 4 years
Office equipment	-	Straight line over 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Consolidated statement of comprehensive income.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2. Accounting policies (continued)

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.11 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2. Accounting policies (continued)

2.15 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.16 Borrowing costs

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the year in which they are incurred.

2.17 Taxation

Tax is recognised in the Consolidated statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revisions and future periods if the revision affects both current and future periods.

4. Turnover

	2017 £	*2016 £*
Turnover	**52,566,987**	*34,319,890*
	52,566,987	*34,319,890*

Analysis of turnover by country of destination:

	2017 £	*2016 £*
United Kingdom	**28,312,168**	*29,416,851*
Europe	**17,885,314**	*-*
Rest of the World	**6,369,505**	*4,903,039*
	52,566,987	*34,319,890*

5. Operating profit

The operating profit is stated after charging:

	2017 £	*2016 £*
Depreciation of tangible fixed assets	**41,518**	*41,313*
Amortisation of intangible assets	**30,237**	*-*
Other operating lease rentals	**61,000**	*61,000*
Defined contribution pension cost	**198,781**	*145,603*

6. Auditors' remuneration

	2017 £	*2016 £*
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	**15,200**	*15,200*
	15,200	*15,200*

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2017 £	*Group 2016 £*	Company 2017 £	*Company 2016 £*
Wages and salaries	**1,883,762**	*1,317,501*	-	-
Social security costs	**192,084**	*166,433*	-	-
Cost of defined contribution scheme	**198,781**	*108,367*	-	-
	2,274,627	*1,592,301*	-	-

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

	2017 No.	*2016 No.*
	34	*20*

The Company has no employees other than the directors, who did not receive any remuneration *(2016 - £NIL)*

8. Directors' remuneration

	2017 £	*2016 £*
Directors' emoluments	**823,227**	*748,190*
Company contributions to defined contribution pension schemes	**84,790**	*50,539*
	908,017	*798,729*

During the year retirement benefits were accruing to 5 directors *(2016 - 4)* in respect of defined contribution pension schemes.

The highest paid director received remuneration of £173,834 *(2016 - £175,603)*.

9. Interest payable and similar expenses

	2017	*2016*
	£	*£*
Bank interest payable	180,905	*97,902*
Loans from group undertakings	41,358	-
	222,263	*97,902*

10. Taxation

	2017	*2016*
	£	*£*
Corporation tax		
Current tax on profits for the year	71,049	*28,034*
Total current tax	71,049	*28,034*

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2016 - higher than)* the standard rate of corporation tax in the UK of 19% *(2016 - 20%)*. The differences are explained below:

	2017 £	*2016* *£*
Profit on ordinary activities before tax	**307,059**	*117,872*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016 - 20%)	**58,341**	*23,574*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**2,655**	*1,100*
Capital allowances for year in excess of depreciation	**4,705**	*7,390*
Adjustment in research and development tax credit leading to a decrease in the tax charge	**-**	*(4,030)*
Foreign taxes on subsidiaries	**47,933**	-
Other differences leading to an increase (decrease) in the tax charge	**(42,585)**	-
Total tax charge for the year	**71,049**	*28,034*

Factors that may affect future tax charges

The 2016 budget confirmed that the UK Corporation Tax rate will reduce to 17% from 1st April 2020. These changes will impact the future tax liabilities of the company.

11. Dividends

	2017 £	*2016* *£*
Dividends paid on equity capital	**50,000**	*275,000*
	50,000	*275,000*

12. Intangible assets

Group and Company

	Trademarks £	Goodwill £	Total £
Cost			
Additions	-	139,808	139,808
On acquisition of subsidiaries	261,211	-	261,211
At 31 December 2017	261,211	139,808	401,019
Amortisation			
Charge for the year	20,916	9,321	30,237
Reclassified to held for sale	119,181	-	119,181
At 31 December 2017	140,097	9,321	149,418
Net book value			
At 31 December 2017	121,114	130,487	251,601
At 31 December 2016	-	-	-

13. Tangible fixed assets

Group

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation				
At 1 January 2017	54,294	55,636	99,769	209,699
Additions	-	-	5,292	5,292
Acquisition of subsidiary	-	-	156,594	156,594
At 31 December 2017	54,294	55,636	261,655	371,585
Depreciation				
At 1 January 2017	45,470	44,810	84,785	175,065
Charge for the year on owned assets	8,824	10,826	21,868	41,518
Transfers between classes	-	-	113,166	113,166
At 31 December 2017	54,294	55,636	219,819	329,749
Net book value				
At 31 December 2017	-	-	41,836	41,836
At 31 December 2016	*8,824*	*10,826*	*14,984*	*34,634*

14. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Ivory & Ledoux Limited	Ordinary	100 %	Food importers, distributors and international traders.
Gloe & Zeitz B.V.	Ordinary	100 %	Food importers, distributors and international traders.
Juice Corp Limited	Ordinary	100 %	Dormant
Fontinella Foods Limited	Ordinary	100 %	Dormant
Sombrero Foods Limited	Ordinary	100 %	Dormant

14. Fixed asset investments (continued)

The aggregate of the share capital and reserves as at 31 December 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Ivory & Ledoux Limited	3,850,378	67,449
Gloe & Zeitz B.V.	3,563,741	179,455
Juice Corp Limited	2	-
Fontinella Foods Limited	2	-
Sombrero Foods Limited	1,198	-
	7,415,321	246,904

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2017	600,789
At 31 December 2017	600,789
Net book value	
At 31 December 2017	600,789
At 31 December 2016	*600,789*

15. Stocks

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Finished goods and goods for resale	13,310,202	6,206,834	-	-
	13,310,202	6,206,834	-	-

16. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	7,958,537	4,726,664	-	-
Amounts owed by group undertakings	-	-	482	482
Other debtors	261,039	125,199	-	-
Prepayments and accrued income	100,431	100,874	-	-
	8,320,007	4,952,737	482	482

17. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	5,034	-	-	-
Less: bank overdrafts	(5,894,347)	(3,200,732)	-	-
	(5,889,313)	(3,200,732)	-	-

18. Creditors: Amounts falling due within one year

	Group 2017 £	*Group 2016 £*	Company 2017 £	*Company 2016 £*
Bank overdrafts	5,894,347	*3,200,732*	-	-
Bank loans	270,000	-	-	-
Trade creditors	6,888,141	*4,032,657*	-	-
Amounts owed to group undertakings	17,851	-	-	-
Corporation tax	66,163	*28,034*	-	-
Other taxation and social security	324,872	*44,725*	-	-
Other creditors	1,271,024	*30,022*	-	-
Accruals and deferred income	112,346	*24,624*	-	-
	14,844,744	*7,360,794*	-	-

19. Creditors: Amounts falling due after more than one year

	Group 2017 £	*Group 2016 £*	Company 2017 £	*Company 2016 £*
Bank loans	1,912,500	-	-	-
Amounts owed to group undertakings	1,150,442	-	-	-
	3,062,942	-	-	-

The bank loans and bank overdrafts are secured by a fixed and floating charge over the assets and undertakings of the group.

20. Loans

	Group 2017 £	*Group 2016 £*	Company 2017 £	*Company 2016 £*
Amounts falling due within one year				
Bank loans	270,000	-	-	-
Amounts falling due 2-5 years				
Bank loans	1,912,500	-	-	-
	2,182,500	-	-	-

21. Financial instruments

	Group 2017 £	*Group 2016 £*	Company 2017 £	*Company 2016 £*
Financial assets				
Financial assets measured at fair value through profit or loss	**5,034**	-	-	-
Financial assets that are debt instruments measured at amortised cost	**8,189,419**	*4,811,024*	**482**	*482*
	8,194,453	*4,811,024*	**482**	*482*
Financial liabilities				
Financial liabilities measured at amortised cost	**(11,353,791)**	*(4,088,790)*	-	-
	(11,353,791)	*(4,088,790)*	-	-

Financial assets measured at fair value through profit or loss comprise of cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors and other debtor.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors, bank loans, bank overdraft, amounts owed to group undertakings and accruals.

22. Reserves

Profit and loss account

Includes all current and prior period retained profits and losses.

23. Share capital

	2017 £	*2016 £*
Allotted, called up and fully paid		
600,000 Ordinary shares shares of £1 each	**600,000**	*600,000*

24. Business combinations

Acquisition of Gloe & Zeith BV

On 30th April 2017, the group acquired 100% of the issued share capital of Gloe & Zeitz BV, a company whose primary activity is that of food importers, distributors and international traders for a cash consideration with fair value £3,384,071.

The acquisition has been accounted for under the acquisition method. The following table sets out the book values of the identifiable assets and liabilities acquired and their fair value to the group.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value £
Tangible	52,212	52,212
Intangible	138,053	138,053
	190,265	190,265
Stocks	6,039,823	6,039,823
Debtors	1,846,018	1,846,018
Cash at bank and in hand	15,930	15,930
Total assets	8,092,036	8,092,036
Due within one year	(4,707,965)	(4,707,965)
Total identifiable net assets	3,384,071	3,384,071
Total purchase consideration		3,384,071

24. Business combinations (continued)

Consideration

	£
Cash	3,384,071
Total purchase consideration	**3,384,071**

Cash outflow on acquisition

	£
Purchase consideration settled in cash, as above	3,384,071
	3,384,071
Net cash outflow on acquistion	**3,384,071**

The results of Gloe & Zeitz BV since its acquisition are as follows:

	Current period since acquisition £
Turnover	15,349,308
Profit for the year	179,455

25. Contingent liabilities

At the year end, the group had outstanding forward foreign exchange contracts amounting to £3,939,386 (2016: £3,373,235).

The company has a bank guarantee to HMRC in respect of VAT liabilities up to £200,000 (2016: £400,000).

26. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £198,781 (2016: £108,367).

27. Commitments under operating leases

At 31 December 2017 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2017 £	*Group 2016 £*	Company 2017 £	*Company 2016 £*
Land and buildings				
Not later than 1 year	**152,150**	*61,000*	-	-
Later than 1 year and not later than 5 years	**483,823**	*244,000*	-	-
Later than 5 years	**280,058**	*91,500*	-	-
	916,031	*396,500*	-	-

	Group 2017 £	*Group 2016 £*	Company 2017 £	*Company 2016 £*
Other				
Not later than 1 year	-	*3,390*	-	-
	-	*3,390*	-	-

28. Related party transactions

The group has taken advantage of the exemption available in FRS 102, section 33 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

Included within administrative expenses are £60,000 (2016: £60,000) of management fees charged by a company which has an interest in Ivory & Ledoux Holdings Limited. At the year end, included within creditors is £15,000 (2016: £30,000) due to this company.

Included in creditors is a loan of £1,150,442 from a company which has an interest in Ivory & Ledoux Holdings Limited.

29. Controlling party

There is no overall controlling party.