

Registration number: 06496989



Apple Group Holdings Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 March 2016

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Apple Group Holdings Limited

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Apple Group Holdings Limited

Company Information

Directors S D Hill

Company secretary N S Knights

Registered office Unit 397 Aviation Business Park
Bournemouth International Airport
Christchurch
Dorset
BH23 6NW

Auditors PKF Francis Clark
Chartered Accountants & Registered Auditors
Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

Apple Group Holdings Limited

Strategic Report for the Year Ended 31 March 2016

The Directors present their strategic report for the year ended 31 March 2016.

Principal activity

The principal activity of the company is the manufacture, sale and installation of windows, doors and conservatories

Fair review of the business

The Group has continued to maintain revenue income in the year despite the challenging economic environment. In addition to the economic environment, adverse trading in some of the subsidiary companies created a need for the Board to perform re-structuring within the Group resulting in the trade being discontinued in two of the trading subsidiary companies. Despite this need and the challenging conditions the Director believes that the outlook for the Group remains very positive. At the year end, the net assets totalled £841,966 (2015 - £532,927).

The Group's key financial and other performance indicators during the year were as follows:

	Unit	2016	2015
Turnover	£	18,569,969	24,400,062
Gross profit margin	%	42	37
(Loss)/Profit before tax	£	409,919	(565,993)

Implementation of FRS102

The Group has transferred from previously extant UK GAAP to FRS102 and these are the first set of accounts prepared under the new standard. There has been little impact on the Group and full details are shown in note 25.

Principal risks, uncertainties and financial instruments

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

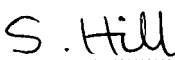
In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The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

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

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

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

Approved by the Board on 16/12/16 and signed on its behalf by:


.....
S D Hill
Director

Apple Group Holdings Limited

Directors' Report for the Year Ended 31 March 2016

The Directors present their report and the consolidated financial statements for the year ended 31 March 2016.

Directors of the Group

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

S D Hill

W J MacKay (resigned 2 September 2015)

Future developments

Apple is committed to looking for new revenue streams to compliment the existing product range and to ensure the future profitability of the Apple Group is sustained.

Other matters

In accordance with S414(11) of the Companies Act 2006, information regarding financial instruments has been disclosed in the Strategic Report.

Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on^{16/11/16} and signed on its behalf by:

.....^{S. Hill}
S D Hill
Director

Apple Group Holdings Limited

Statement of Directors' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Apple Group Holdings Limited

Independent Auditor's Report

We have audited the financial statements of Apple Group Holdings Limited for the year ended 31 March 2016, set out on pages 7 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of Directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Basis for qualified opinion on financial statements

We were limited in our ability to obtain sufficient appropriate audit evidence on the profit and loss transactions for Apple Solar Limited and Larkin Windows Limited due to these subsidiary companies entering voluntary liquidation. Consequently we are unable to confirm whether income and expenditure in the financial year was correctly allocated, although we do not believe as a result, that the profit for the group for the year is materially misstated.

Qualified opinion on the financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the Group's and the Company's affairs as at 31 March 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Apple Group Holdings Limited

Independent Auditor's Report

Matters on which we are required to report by exception

In respect solely on the limitation on our work relating to the profit and loss transactions for Apple Solar Limited and Larkin Windows Limited, described above;

- We have not obtained all the information and explanations that we considered necessary for the purpose of the audit.

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 by the Group or returns adequate for our audit have not been received from branches not visited by us; or
- the Group 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



William Law BSc FCA (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

Date: 16/12/16

Apple Group Holdings Limited

Consolidated Profit and Loss Account for the Year Ended 31 March 2016

	Note	2016 Continuing operations £	2016 Discontinued operations £	2016 Total £	2015 Continuing operations £	2015 Discontinued operations £	2015 Total £
Turnover	3	12,495,894	6,074,075	18,569,969	13,801,974	10,598,088	24,400,062
Cost of sales		<u>(6,876,130)</u>	<u>(3,758,030)</u>	<u>(10,634,160)</u>	<u>(8,372,212)</u>	<u>(7,063,768)</u>	<u>(15,435,980)</u>
Gross profit		5,619,764	2,316,045	7,935,809	5,429,762	3,534,320	8,964,082
Administrative expenses		(5,045,579)	(1,912,528)	(6,958,107)	(4,969,775)	(4,437,871)	(9,407,646)
Other operating income	4	-	4,307	4,307	-	12,237	12,237
Operating profit/(loss)	5	574,185	407,824	982,009	459,987	(891,314)	(431,327)
Other interest receivable and similar income	6	149	-	149	1,017	-	1,017
Amounts written off investments		-	(237,138)	(237,138)	-	-	-
Interest payable and similar charges	7	<u>(241,296)</u>	<u>(93,805)</u>	<u>(335,101)</u>	<u>(64,538)</u>	<u>(71,145)</u>	<u>(135,683)</u>
Profit/(loss) before tax		333,038	76,881	409,919	396,466	(962,459)	(565,993)
Taxation	12	<u>(100,880)</u>	-	<u>(100,880)</u>	<u>48,925</u>	<u>7,972</u>	<u>56,897</u>
Profit/(loss) for the financial year attributable to owners of the parent company		<u>232,158</u>	<u>76,881</u>	<u>309,039</u>	<u>445,391</u>	<u>(954,487)</u>	<u>(509,096)</u>

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

The notes on pages 13 to 27 form an integral part of these financial statements.

Apple Group Holdings Limited
(Registration number: 06496989)
Consolidated Balance Sheet as at 31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	13	52,118	170,987
Tangible assets	14	<u>414,285</u>	<u>815,453</u>
		<u>466,403</u>	<u>986,440</u>
Current assets			
Stocks	16	142,615	347,886
Debtors	17	1,595,482	2,174,597
Cash at bank and in hand		<u>613,968</u>	<u>506,707</u>
		2,352,065	3,029,190
Creditors: Amounts falling due within one year	18	<u>(1,952,362)</u>	<u>(3,439,411)</u>
Net current assets/(liabilities)		<u>399,703</u>	<u>(410,221)</u>
Total assets less current liabilities		866,106	576,219
Creditors: Amounts falling due after more than one year	18	<u>(24,140)</u>	<u>(43,292)</u>
Net assets		<u>841,966</u>	<u>532,927</u>
Capital and reserves			
Called up share capital	20	6	6
Profit and loss account		<u>841,960</u>	<u>532,921</u>
Shareholders' funds		<u>841,966</u>	<u>532,927</u>

Approved and authorised by the Board on 16/12/16 and signed on its behalf by:

S Hill
S D Hill
Director

Apple Group Holdings Limited

(Registration number: 06496989)

Balance Sheet as at 31 March 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	14	414,283	738,082
Investments	15	<u>105</u>	<u>410,705</u>
		<u>414,388</u>	<u>1,148,787</u>
Current assets			
Debtors	17	69,180	111,909
Cash at bank and in hand		<u>25,750</u>	<u>-</u>
		94,930	111,909
Creditors: Amounts falling due within one year	18	<u>(209,989)</u>	<u>(525,105)</u>
Net current liabilities		<u>(115,059)</u>	<u>(413,196)</u>
Total assets less current liabilities		299,329	735,591
Creditors: Amounts falling due after more than one year	18	<u>(24,140)</u>	<u>(43,292)</u>
Net assets		<u>275,189</u>	<u>692,299</u>
Capital and reserves			
Called up share capital		6	6
Profit and loss account		<u>275,183</u>	<u>692,293</u>
Total equity		<u>275,189</u>	<u>692,299</u>

Approved and authorised by the Board on 16/12/16 and signed on its behalf by:

S. Hill

S D Hill

Director

The notes on pages 13 to 27 form an integral part of these financial statements.

Apple Group Holdings Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2016

	Share capital £	Profit and loss account £	Total £
At 1 April 2015	6	532,921	532,927
Profit for the year	-	309,039	309,039
At 31 March 2016	<u>6</u>	<u>841,960</u>	<u>841,966</u>

	Share capital £	Profit and loss account £	Total £
At 1 April 2014	6	1,042,017	1,042,023
Loss for the year	-	(509,096)	(509,096)
At 31 March 2015	<u>6</u>	<u>532,921</u>	<u>532,927</u>

The notes on pages 13 to 27 form an integral part of these financial statements.

Apple Group Holdings Limited

Statement of Changes in Equity for the Year Ended 31 March 2016

	Share capital £	Profit and loss account £	Total £
At 1 April 2015	6	692,293	692,299
Loss for the year	-	(417,110)	(417,110)
At 31 March 2016	<u>6</u>	<u>275,183</u>	<u>275,189</u>

	Share capital £	Profit and loss account £	Total £
At 1 April 2014	6	643,369	643,375
Profit for the year	-	48,924	48,924
At 31 March 2015	<u>6</u>	<u>692,293</u>	<u>692,299</u>

The notes on pages 13 to 27 form an integral part of these financial statements.

Apple Group Holdings Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit/(loss) for the year		309,039	(509,096)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	370,051	429,699
Loss on disposal of tangible assets		32,204	-
Finance income	6	(149)	(1,017)
Finance costs	7	335,101	135,683
Corporation tax expense	12	100,880	(56,897)
		<u>1,147,126</u>	<u>(1,628)</u>
Working capital adjustments			
Decrease in stocks	16	205,271	64,322
Decrease in debtors	17	579,115	331,090
(Decrease)/increase in creditors	18	<u>(1,570,023)</u>	<u>53,975</u>
Net cash flow from operating activities		<u>361,489</u>	<u>447,759</u>
Cash flows from investing activities			
Interest received		149	1,017
Acquisitions of tangible assets		(8,515)	(125,247)
Proceeds from sale of tangible assets		<u>126,297</u>	<u>10,370</u>
Net cash flows from investing activities		<u>117,931</u>	<u>(113,860)</u>
Cash flows from financing activities			
Interest paid	7	(335,101)	(135,683)
Payments to finance lease creditors		<u>(37,058)</u>	<u>(67,132)</u>
Net cash flows from financing activities		<u>(372,159)</u>	<u>(202,815)</u>
Net increase in cash and cash equivalents		107,261	131,084
Cash and cash equivalents at 1 April		<u>506,707</u>	<u>375,623</u>
Cash and cash equivalents at 31 March		<u><u>613,968</u></u>	<u><u>506,707</u></u>

The notes on pages 13 to 27 form an integral part of these financial statements.

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

1 General information

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

The address of its registered office is:

Unit 397 Aviation Business Park
Bournemouth International Airport
Christchurch
Dorset
BH23 6NW

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The group has transferred from the previously extant UK GAAP as at 1 April 2015. The transition to the new regime has not affected the previously reported financial performance or financial position of the group.

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.

These financial statements are presented in Pounds Sterling, rounded to the nearest whole pound.

Summary of disclosure exemptions

Apple Group Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to presentation of a cash flow statement and the remuneration of key management personnel.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 March 2016.

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 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 Group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Group 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 Group's activities.

Tax

The tax expense for the period comprises current 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.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred corporation tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the Group. Deferred corporation 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.

Property, plant and equipment

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
Plant and machinery	6 years straight line
Fixtures and fittings	5 years straight line
Improvements to property	5 years straight line
Motor vehicles	4 years straight line
Computer equipment	3 years straight line
Computer software	6 years straight line

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Negative goodwill arising on an acquisition is recognised on the face of the balance sheet on the acquisition date and subsequently the excess up to the fair value of non-monetary assets acquired is recognised in profit or loss in the periods in which the non-monetary assets are recovered.

Amortisation

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

Asset class	Amortisation method and rate
Goodwill	5 - 10 years straight line

Investments in subsidiaries

Investments in subsidiaries are stated at historical cost less provision for any diminution in value.

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.

Trade receivables

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 Group will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade payables

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 Group 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.

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Hire purchase and leasing

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2016 £	2015 £
Sale of goods	18,524,113	24,320,549
Commissions received	45,856	79,513
	<u>18,569,969</u>	<u>24,400,062</u>

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2016 £	2015 £
Royalties receivable	<u>4,307</u>	<u>12,237</u>

5 Operating profit

Arrived at after charging/(crediting)

	2016 £	2015 £
Depreciation expense	251,182	310,830
Amortisation expense	118,869	118,869
Loss on disposal of property, plant and equipment	<u>32,204</u>	<u>-</u>

6 Other interest receivable and similar income

	2016 £	2015 £
Interest income on bank deposits	149	1,000
Other finance income	-	17
	<u>149</u>	<u>1,017</u>

7 Interest payable and similar charges

	2016 £	2015 £
Interest on bank borrowings	-	567
Interest on other loans	-	7,621
Finance charges	<u>335,101</u>	<u>127,495</u>
	<u>335,101</u>	<u>135,683</u>

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

8 Amounts written off investments

The cost of £237,138 relates to the loss to the group on the liquidation of the subsidiary companies, Apple Solar Limited and Larkin Windows Limited.

9 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £	2015 £
Wages and salaries	2,056,368	2,959,295
Social security costs	134,276	212,662
Pension costs, defined contribution scheme	10,720	13,128
Redundancy costs	56,223	-
Other employee expense	3,705	3,479
	<u>2,261,292</u>	<u>3,188,564</u>

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

	2016 No.	2015 No.
Administration and support	53	69
Sales, marketing and distribution	75	99
	<u>128</u>	<u>168</u>

10 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	<u>22,133</u>	<u>88,477</u>

11 Auditors' remuneration

	2016 £	2015 £
Audit of these financial statements	3,750	3,500
Audit of the financial statements of subsidiaries of the company pursuant to legislation	11,750	11,250
	<u>15,500</u>	<u>14,750</u>

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

12 Taxation

Tax charged/(credited) in the income statement

	2016 £	2015 £
Current taxation		
UK corporation tax	100,880	-
Deferred taxation		
Arising from origination and reversal of timing differences	-	(56,897)
Tax expense/(receipt) in the income statement	<u>100,880</u>	<u>(56,897)</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2015 - higher than the standard rate of corporation tax in the UK) of 20% (2015 - 20%).

The differences are reconciled below:

	2016 £	2015 £
Profit/(loss) before tax	<u>409,919</u>	<u>(565,993)</u>
Corporation tax at standard rate	81,984	(113,199)
Effect of expense not deductible in determining taxable profit (tax loss)	10,118	28,536
Tax increase (decrease) from effect of capital allowances and depreciation	51,249	3,965
Tax increase (decrease) from effect of unrelieved tax losses carried forward	(23,801)	23,801
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>(18,670)</u>	<u>-</u>
Total tax charge/(credit)	<u>100,880</u>	<u>(56,897)</u>

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

13 Intangible assets

Group

	Goodwill £	Total £
Cost or valuation		
At 1 April 2015	1,112,075	1,112,075
Disposals	(100,001)	(100,001)
At 31 March 2016	<u>1,012,074</u>	<u>1,012,074</u>
Amortisation		
At 1 April 2015	941,088	941,088
Amortisation charge	118,869	118,869
Amortisation eliminated on disposals	(100,001)	(100,001)
At 31 March 2016	<u>959,956</u>	<u>959,956</u>
Carrying amount		
At 31 March 2016	<u>52,118</u>	<u>52,118</u>
At 31 March 2015	<u>170,987</u>	<u>170,987</u>

Company

	Goodwill £	Total £
Cost or valuation		
At 1 April 2015	<u>178,623</u>	<u>178,623</u>
At 31 March 2016	<u>178,623</u>	<u>178,623</u>
Amortisation		
At 1 April 2015	<u>178,623</u>	<u>178,623</u>
At 31 March 2016	<u>178,623</u>	<u>178,623</u>
Carrying amount		
At 31 March 2016	<u>-</u>	<u>-</u>
At 31 March 2015	<u>-</u>	<u>-</u>

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

14 Property, plant and equipment

Group

	Leasehold properties and improvements £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 April 2015	571,638	845,759	1,068,369	216,362	2,702,128
Additions	-	-	-	8,515	8,515
Disposals	(63,705)	(35,508)	(541,467)	(141,010)	(781,690)
At 31 March 2016	<u>507,933</u>	<u>810,251</u>	<u>526,902</u>	<u>83,867</u>	<u>1,928,953</u>
Depreciation					
At 1 April 2015	308,272	701,610	689,987	186,806	1,886,675
Charge for the year	65,996	70,773	97,289	17,124	251,182
Eliminated on disposal	(45,868)	(26,320)	(418,366)	(132,635)	(623,189)
At 31 March 2016	<u>328,400</u>	<u>746,063</u>	<u>368,910</u>	<u>71,295</u>	<u>1,514,668</u>
Carrying amount					
At 31 March 2016	<u>179,533</u>	<u>64,188</u>	<u>157,992</u>	<u>12,572</u>	<u>414,285</u>
At 31 March 2015	<u>263,366</u>	<u>144,149</u>	<u>378,382</u>	<u>29,556</u>	<u>815,453</u>

Included within the net book value of land and buildings above is £179,533 (2015 - £263,366) in respect of leasehold land and buildings.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2016 £	2015 £
Motor vehicles	<u>46,798</u>	<u>101,506</u>

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

Company

	Leasehold properties and improvements £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 April 2015	448,056	491,876	839,447	131,858	1,911,237
Additions	-	-	-	8,515	8,515
Disposals	-	-	(415,032)	-	(415,032)
At 31 March 2016	<u>448,056</u>	<u>491,876</u>	<u>424,415</u>	<u>140,373</u>	<u>1,504,720</u>
Depreciation					
At 1 April 2015	242,058	344,357	485,516	101,224	1,173,155
Charge for the year	56,827	64,834	73,735	14,713	210,109
Eliminated on disposal	-	-	(292,827)	-	(292,827)
At 31 March 2016	<u>298,885</u>	<u>409,191</u>	<u>266,424</u>	<u>115,937</u>	<u>1,090,437</u>
Carrying amount					
At 31 March 2016	<u>149,171</u>	<u>82,685</u>	<u>157,991</u>	<u>24,436</u>	<u>414,283</u>
At 31 March 2015	<u>205,998</u>	<u>147,519</u>	<u>353,931</u>	<u>30,634</u>	<u>738,082</u>

Included within the net book value of land and buildings above is £149,171 (2015 - £205,998) in respect of leasehold land and buildings.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2016 £	2015 £
Motor vehicles	<u>46,798</u>	<u>101,506</u>

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

15 Investments

Company

	2016 £	2015 £
Shares in group undertakings and participating interests	<u>105</u>	<u>410,705</u>
Shares in group undertakings and participating interests		£
Cost or valuation		
At 1 April 2015		410,705
Impairment		<u>(410,600)</u>
At 31 March 2016		<u>105</u>
Carrying amount		
At 31 March 2016		<u>105</u>
At 31 March 2015		<u>410,705</u>

During the year subsidiary companies, Apple Solar Limited and Larkin Windows Limited entered liquidation.

In addition previously dormant subsidiary companies, Maplepath Limited, Apple Solar Energy Limited, Act on Solar Limited, Solar Initiative (Southern) Limited and Apple Solar Photovoltaic Limited all were dissolved on 31 May 2016.

Details of undertakings

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

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2016	2015
Subsidiary undertakings				
Apple Panels Limited	UK	Ordinary	100%	100%
Van Dukes Conservatories Limited	UK	Ordinary	100%	100%
Apple Renewable Energy Limited	UK	Ordinary	100%	100%

The principal activity of Apple Panels Limited is the manufacture installation of windows, doors and conservatories.

The principal activity of Van Dukes Conservatories Limited is that of a dormant company.

The principal activity of Apple Renewable Energy Limited is the installation of foam products.

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

16 Inventories

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Stocks	<u>142,615</u>	<u>347,886</u>	<u>-</u>	<u>-</u>

Group

The cost of stocks recognised as an expense in the year amounted to £7,582,662 (2015 - £8,207,435).

17 Debtors

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	1,004,103	1,307,302	-	-
Other debtors	62,811	97,782	15,658	41,421
Prepayments	<u>528,568</u>	<u>769,513</u>	<u>53,522</u>	<u>70,488</u>
Total current trade and other debtors	<u>1,595,482</u>	<u>2,174,597</u>	<u>69,180</u>	<u>111,909</u>

18 Creditors

		Group		Company	
	Note	2016	2015	2016	2015
		£	£	£	£
Due within one year					
Loans and borrowings	21	62,568	90,744	62,568	339,634
Trade creditors		919,646	1,660,419	60,018	129,243
Amounts due to related parties	23	-	-	87,403	43,297
Social security and other taxes		319,129	465,116	-	-
Outstanding defined contribution pension costs		-	14	-	-
Other payables		446,717	668,677	-	-
Accrued expenses		103,422	554,441	-	12,931
Income tax liability	12	<u>100,880</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>1,952,362</u>	<u>3,439,411</u>	<u>209,989</u>	<u>525,105</u>
Due after one year					
Loans and borrowings	21	<u>24,140</u>	<u>43,292</u>	<u>24,140</u>	<u>43,292</u>

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

19 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £10,720 (2015 - £13,128).

Contributions totalling £nil (2015 - £14) were payable to the scheme at the end of the year and are included in creditors.

20 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary of £1 each	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>

21 Loans and borrowings

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Non-current loans and borrowings				
Finance lease liabilities	<u>24,140</u>	<u>43,292</u>	<u>24,140</u>	<u>43,292</u>

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Current loans and borrowings				
Bank overdrafts	-	-	-	248,890
Finance lease liabilities	19,152	37,058	19,152	37,058
Other borrowings	<u>43,416</u>	<u>53,686</u>	<u>43,416</u>	<u>53,686</u>
	<u>62,568</u>	<u>90,744</u>	<u>62,568</u>	<u>339,634</u>

Secured loans and borrowings

Finance lease liabilities comprise hire purchase contracts and are secured by a fixed charge on the assets to which they relate.

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

22 Obligations under leases and hire purchase contracts

Group

Operating leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	388,534	407,492
Later than one year and not later than five years	255,445	557,964
Later than five years	-	28,000
	<u>643,979</u>	<u>993,456</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £518,492 (2015 - £419,094).

Company

Operating leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	148,407	225,160
Later than one year and not later than five years	34,545	224,353
	<u>182,952</u>	<u>449,513</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £225,160 (2015 - £220,925).

Apple Group Holdings Limited

Notes to the Financial Statements for the Year Ended 31 March 2016

23 Related party transactions

Group

Summary of transactions with entities with joint control or significant interest

Gazzeebo Software Limited and Hilldonia Builders Limited
(Under the control of Mr S Hill)

During the year, the group purchased computer services amounting to £33,788 (2015: £71,951) from Gazzeebo Software Limited. The transactions were carried out on normal commercial terms. At the balance sheet date the amount due to Gazzeebo Software Limited was £23,676 (2015: £58,624).

The group paid rent to Hilldonia Builders Limited amounting to £18,000 (2015: £18,000). Management charges of £144,000 (2015: £144,000) have also been paid to Hilldonia Builders Limited during the year. At the balance sheet date the amount due to Hilldonia Builders Limited was £178,200 (2015: £10,800).

Summary of transactions with other related parties

Pushpin Limited

(Under the control of W Mackay)

During the year management charges of £60,000 (2015: £144,000) have been paid to Pushpin Limited.

Company

Key management personnel

S D Hill

Summary of transactions with key management

At the balance sheet date the amount due to S D Hill was £43,416 (2015: £53,686). These amounts are shown in the loans and borrowings note.

24 Control

The company is controlled by S D Hill, by virtue of his majority shareholding.

25 Transition to FRS 102

This is the first year that the Group has presented its financial statements under FRS102. There are no adjustments arising on transition.