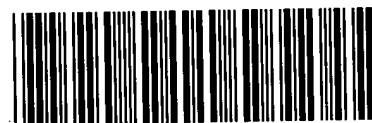


TOY BROKERS HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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COMPANIES HOUSE

TOY BROKERS HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

S R Pilkington
M R Moody
A C Shepherd
D L Kremer

COMPANY SECRETARY

A C Shepherd

REGISTERED NUMBER

06820541

REGISTERED OFFICE

Marketing House
Blackstone Road
Huntingdon
Cambridgeshire
PE29 6EF

INDEPENDENT AUDITOR

James Cowper Kreston
Chartered Accountants and Statutory Auditor
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

TOY BROKERS HOLDINGS LIMITED

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TOY BROKERS HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

BUSINESS REVIEW

The Group has increased sales to £30.8m a 15.2% growth over 2014.

The Group operating profit of £5.2m (2014 £5.5m) which includes the fair value movements in respect of Financial Reporting Standard 102. This is considered to be an excellent result for the year in a marketplace that proved more challenging than in the previous year.

Our UK domestic business, operated by John Adams Leisure Limited, achieved a turnover of £28.2m (2014 £25.1m) and an operating profit of £4.1m (2014 £4.6m) and has a balance sheet value of £11.9m.

Our international business, operated by Toy Brokers Limited, achieved a turnover of £2.6m (2014 £1.6m) and an operating profit of £0.6m (2014 £0.5m) and has a balance sheet value of £1.3m.

The holding company achieved an operating profit of £0.5m (2014 £0.4m) after excluding £1.5m of intercompany dividends received during the year.

During the year the holding company purchased and cancelled 228,669 Ordinary shares of £1 each for a total cost of £1,379,474.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the nature of the Company's strategy are subject to a number of risks and uncertainties. The Directors have set out below the principal risks facing the business:

Competition

The business operates in a competitive market and one that is currently subject to volatility due the continuing low GDP growth, which places pressure on our margins increasing the risk of being unable to meet customers' expectations. Policies to mitigate such risks are in place covering product safety compliance, supply chain management and research and development.

Customers

Credit risk to customers is managed through a credit control process and retention of title clauses. Credit limits are agreed and monitored and credit insurance is held on the majority of trade debtors.

Suppliers

The manufacture of our products is mainly carried out in China, with potential risks and uncertainties covering product safety, quality control issues and delivery schedules. This risk is managed by selecting and monitoring appropriate manufacturing facilities which are contacted on a regular basis.

Foreign currency

The majority of the product purchases are made in US dollars; consequently the business is exposed to foreign currency fluctuations. This foreign exchange risk is managed with forward foreign exchange contracts and currency options, to reduce the exposure.

Environmental

The business places emphasis upon environmental compliance especially in connection with product packaging and works towards constant improvement to ensure compliance with relevant legislation.

Liquidity risk

The business actively maintains asset backed finance to ensure that sufficient funds are in place for its operations and expansion.

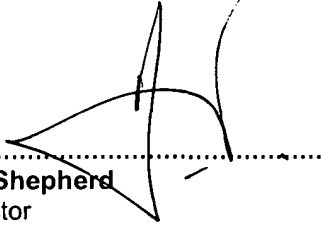
TOY BROKERS HOLDINGS LIMITED

STRATEGIC REPORT (continued)

FINANCIAL KEY PERFORMANCE INDICATORS

The key performance indicators of the business are revenues, gross margin and operating profit (as detailed in the statement of comprehensive income) and cash generation.

This report was approved by the board on 13 April 2016 and signed on its behalf.



A C Shepherd
Director

TOY BROKERS HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £4,117,823 (2014 - £4,231,508).

At the Annual General Meeting members approved that a dividend be paid of 52 pence on the ordinary shares based upon the results of the 2014 year. The company paid £700,286 on 22 May 2015 to Shareholders on the register at the close of business on 30 April 2015.

The Directors recommend the payment of an interim dividend of 45 pence on the ordinary shares based upon the results of the 2015 year. The dividend was approved on 22 March 2016 and was paid on 31 March 2016.

DIRECTORS

The directors who served during the year were:

S R Pilkington
M R Moody
A C Shepherd
D L Kremer

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 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 and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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 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.

TOY BROKERS HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

FUTURE DEVELOPMENTS

The group is expecting to continue the growth of its domestic and export led businesses in the year ahead.

John Adams Leisure Ltd, our domestic business, has noticed that there was a certain amount of nervousness with retail customers in the key Christmas trading period. It is likely that this situation will continue into 2016 and beyond due to the upcoming EU referendum on the 23rd June. The Company will work towards overcoming the effect of any lack of confidence in the marketplace by supporting its strong trading position with robust marketing and product development initiatives.

Toy Brokers Ltd, our international business, is well placed to continue its development of relationships with customers across the world and is looking to expand its range of products that can be exported to existing and new customers.

DISCLOSURE OF INFORMATION TO AUDITOR

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

- so far as that director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- that 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 auditor is aware of that information.

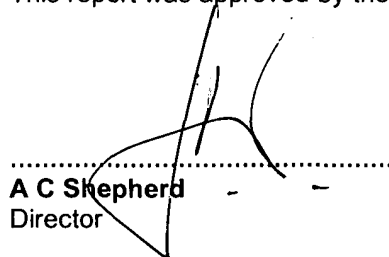
POST BALANCE SHEET EVENTS

There have been no significant events affecting the Group since the year end.

AUDITORS

The auditor, James Cowper Kreston, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 13 April 2016 and signed on its behalf.



A C Shepherd
Director

TOY BROKERS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TOY BROKERS HOLDINGS LIMITED

We have audited the financial statements of Toy Brokers Holdings Limited for the year ended 31 December 2015, set out on pages 7 to 34. 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'.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 31 December 2015 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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

TOY BROKERS HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TOY BROKERS HOLDINGS LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept 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.



Alexander Peal BSc (Hons) FCA DChA (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

13 April 2016

TOY BROKERS HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	As restated 2014 £
Turnover	3	30,785,014	26,732,675
Cost of sales		<u>(13,815,984)</u>	<u>(11,478,522)</u>
Gross profit		16,969,030	15,254,153
Administrative expenses		<u>(13,006,301)</u>	<u>(11,255,221)</u>
Other operating income	4	799,745	609,345
Fair value movements		<u>452,330</u>	<u>919,297</u>
Operating profit		5,214,804	5,527,574
Interest receivable and similar income	9	3,877	4,222
Interest payable and similar charges	10	<u>(58,999)</u>	<u>(77,945)</u>
Profit on ordinary activities before taxation		5,159,682	5,453,851
Taxation on profit on ordinary activities	11	<u>(1,041,859)</u>	<u>(1,222,343)</u>
Profit for the financial year		<u>4,117,823</u>	<u>4,231,508</u>
 Total comprehensive income for the year		 <u>4,117,823</u>	 <u>4,231,508</u>
 Owners of the parent Company		 <u>4,117,823</u>	 <u>4,231,508</u>

TOY BROKERS HOLDINGS LIMITED
REGISTERED NUMBER: 06820541

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £	As restated 2014 £
Fixed assets			
Intangible assets	13	626,314	835,085
Tangible assets	15	369,841	370,267
		<u>996,155</u>	<u>1,205,352</u>
Current assets			
Stocks	17	3,859,624	3,197,340
Debtors: Amounts falling due within one year	18	15,649,152	14,587,945
Cash at bank and in hand	19	1,536,330	3,656,048
		<u>21,045,106</u>	<u>21,441,333</u>
Creditors: Amounts falling due within one year	20	<u>(8,614,328)</u>	<u>(11,191,662)</u>
Net current assets		<u>12,430,778</u>	<u>10,249,671</u>
Total assets less current liabilities		<u>13,426,933</u>	<u>11,455,023</u>
Creditors: Amounts falling due after more than one year	21	-	(138,889)
Provisions for liabilities			
Deferred taxation	23	<u>(229,346)</u>	<u>(156,610)</u>
		<u>(229,346)</u>	<u>(156,610)</u>
Net assets		<u><u>13,197,587</u></u>	<u><u>11,159,524</u></u>
Capital and reserves			
Called up share capital	25	1,118,034	1,346,703
Share premium account	24	326,713	326,713
Capital redemption reserve	24	228,669	-
Profit and loss account	24	11,524,171	9,486,108
Equity attributable to owners of the parent Company		<u><u>13,197,587</u></u>	<u><u>11,159,524</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 April 2016.

.....
A C Shepherd
Director

The notes on pages 13 to 34 form part of these financial statements.

TOY BROKERS HOLDINGS LIMITED
REGISTERED NUMBER:06820541

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	15	56,991	77,715
Investments	16	2,829,842	2,829,842
		<u>2,886,833</u>	<u>2,907,557</u>
Current assets			
Debtors: Amounts falling due within one year	18	1,036,406	368,380
Cash at bank and in hand	19	18,685	736,785
		<u>1,055,091</u>	<u>1,105,165</u>
Creditors: Amounts falling due within one year	20	(1,781,350)	(1,883,009)
Net current assets		<u>(726,259)</u>	<u>(777,844)</u>
Total assets less current liabilities		<u>2,160,574</u>	<u>2,129,713</u>
Net assets		<u><u>2,160,574</u></u>	<u><u>2,129,713</u></u>
Capital and reserves			
Called up share capital	25	1,118,034	1,346,703
Share premium account	24	326,713	326,713
Capital redemption reserve	24	228,669	-
Profit and loss account	24	487,158	456,297
Total equity		<u><u>2,160,574</u></u>	<u><u>2,129,713</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 April 2016.

.....
A C Shepherd
 Director

TOY BROKERS HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015

	Share capital £	Share premium £	Capital redemption reserve £	Retained earnings £	Total equity £
At 1 January 2015 (as previously stated)	1,346,703	326,713	-	9,264,689	10,938,105
Prior year adjustment	-	-	-	221,419	221,419
At 1 January 2015 (as restated)	<u>1,346,703</u>	<u>326,713</u>	<u>-</u>	<u>9,486,108</u>	<u>11,159,524</u>
Profit for the year	-	-	-	4,117,823	4,117,823
Dividends: Equity capital	-	-	-	(700,286)	(700,286)
Purchase of own shares	-	-	228,669	(1,379,474)	(1,150,805)
Shares cancelled during the year	(228,669)	-	-	-	(228,669)
At 31 December 2015	<u><u>1,118,034</u></u>	<u><u>326,713</u></u>	<u><u>228,669</u></u>	<u><u>11,524,171</u></u>	<u><u>13,197,587</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2014

	Share capital £	Share premium £	Other reserves £	Retained earnings £	Total equity £
At 1 January 2014 (as previously stated)	1,175,869	159,879	77,842	5,809,833	7,223,423
Prior year adjustment	-	-	-	(285,892)	(285,892)
At 1 January 2014 (as restated)	<u>1,175,869</u>	<u>159,879</u>	<u>77,842</u>	<u>5,523,941</u>	<u>6,937,531</u>
Profit for the year	-	-	-	4,231,508	4,231,508
Dividends: Equity capital	-	-	-	(269,341)	(269,341)
Shares issued during the year	170,834	88,992	-	-	259,826
Transfer between other reserves	-	77,842	(77,842)	-	-
At 31 December 2014	<u><u>1,346,703</u></u>	<u><u>326,713</u></u>	<u><u>-</u></u>	<u><u>9,486,108</u></u>	<u><u>11,159,524</u></u>

The notes on pages 13 to 34 form part of these financial statements.

TOY BROKERS HOLDINGS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015**

	Share capital	Share premium	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2015	1,346,703	326,713	-	456,297	2,129,713
Profit for the year	-	-	-	2,110,621	2,110,621
Dividends: Equity capital	-	-	-	(700,286)	(700,286)
Purchase of own shares	-	-	228,669	(1,379,474)	(1,150,805)
Shares cancelled during the year	(228,669)	-	-	-	(228,669)
At 31 December 2015	1,118,034	326,713	228,669	487,158	2,160,574

**COMPANY STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2014**

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2014	1,175,869	159,879	77,842	(219,292)	1,194,298
Profit for the year	-	-	-	944,930	944,930
Dividends: Equity capital	-	-	-	(269,341)	(269,341)
Shares issued during the year	170,834	88,992	-	-	259,826
Transfer between other reserves	-	77,842	(77,842)	-	-
At 31 December 2014	1,346,703	326,713	-	456,297	2,129,713

The notes on pages 13 to 34 form part of these financial statements.

TOY BROKERS HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 £	2014 £
Cash flows from operating activities		
Profit for the financial year	4,117,823	4,231,508
Adjustments for:		
Amortisation of intangibles	208,771	208,771
Depreciation of tangibles	162,257	181,957
Loss on disposal of tangibles	(14,360)	(4,450)
Increase in stocks	(662,284)	(212,573)
Interest paid	58,999	77,945
Interest received	(3,877)	(4,222)
Taxation	1,041,859	1,222,343
Increase in debtors	(409,483)	(1,815,343)
Increase in creditors	(225,359)	1,523,570
Net fair value losses/gains recognised in P&L	(452,330)	(919,297)
Corporation tax	(1,078,241)	(759,242)
Net cash generated from operating activities	<u>2,743,775</u>	<u>3,730,967</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(161,831)	(330,821)
Sale of tangible fixed assets	14,360	4,450
Interest received	3,877	4,222
HP interest paid	-	(1,222)
Investment in short term deposits	(199,395)	(15,770)
Net cash from investing activities	<u>(342,989)</u>	<u>(339,141)</u>
Cash flows from financing activities		
Issue of ordinary shares	-	259,826
Repayment of loans	(2,381,745)	(1,585,787)
Dividends paid	(700,286)	(269,341)
Interest paid	(58,999)	(76,723)
Purchase of own shares	(1,379,474)	-
Net cash used in financing activities	<u>(4,520,504)</u>	<u>(1,672,025)</u>
Net increase / (decrease) in cash and cash equivalents	<u>(2,119,718)</u>	<u>1,719,801</u>
Cash and cash equivalents at beginning of year	<u>3,656,048</u>	<u>1,936,247</u>
Cash and cash equivalents at the end of year	<u>1,536,330</u>	<u>3,656,048</u>
Cash at bank and in hand	<u>1,536,330</u>	<u>3,656,048</u>
	<u>1,536,330</u>	<u>3,656,048</u>

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

Information on the impact of first-time adoption of FRS 102 is given in note 30.

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 Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 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 1 January 2014.

1.3 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;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.4 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 profit and loss account 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 five years.

The estimated useful lives range as follows:

Goodwill - 5 years

1.5 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.

Depreciation is provided on the following bases:

Plant & machinery	- 33% straight line
Motor vehicles	- 25% straight line
Furniture, fittings and equipment	- 15% straight line

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 'administrative expenses' in the Consolidated Statement of Comprehensive Income.

1.6 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.8 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 first in, first out 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.

1.9 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.

1.10 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 include bank overdrafts that are repayable on demand as they form an integral part of the company's cash management.

1.11 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.

1.12 Pensions

Defined contribution pension plan

The Group operates defined contribution plans 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 payments obligations.

The contributions are recognised as an expense in the profit and loss account 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.

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.13 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

1.14 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the profit and loss account within 'administrative expenses'.

1.15 Employee benefit trust

Amounts paid or received by the Employee Benefit Trust for transactions in the company's own shares are reported directly in shareholders funds.

The finance and administration expenses of the trust are charged to the financial statements as they accrue.

The company recognises the trust's bank account in current assets.

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.16 Financial instruments

The company 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. The company also enters into complex financial instruments in the form of derivative instruments.

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 outright 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.

Investments in non-puttable ordinary shares are measured:

- i) At fair value with changes recognised in the profit and loss account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- ii) At cost less impairment for all other investments.

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.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with any gains and losses being reported in the profit or loss account. Outstanding derivatives at the reporting date are included under the appropriate format heading depending on the nature of the derivative.

The fair value of the forward exchange currency contracts is calculated by reference to current exchange rates in force at the balance sheet date.

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (continued)

1.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change 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.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.18 Finance costs

Finance costs are charged to the profit and loss account 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.

1.19 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.

1.20 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

1.21 Borrowing costs

All borrowing costs are recognised in the profit and loss account in the year in which they are incurred.

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Taxation (see note 11)

The company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience with previous tax submissions. Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

Goodwill (see note 13)

The company establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual life of the assets to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Tangible fixed assets (see note 15)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Provisions (see note 20)

Included within accruals and deferred income are provisions estimated by the company based upon past experiences from similar contracts and with knowledge of known issues that management are confident will result in an outflow of economic benefit from the company.

Operating lease commitments (see note 27)

The Group has entered into commercial lease contracts and as a lessee it obtains use of property, plant and equipment. The classification of such leases as operating or finance lease requires the Group to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

3. ANALYSIS OF TURNOVER

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	27,847,083	25,674,769
Rest of Europe	2,172,275	788,748
Rest of the World	765,657	269,158
	<u>30,785,015</u>	<u>26,732,675</u>

4. OTHER OPERATING INCOME

	2015 £	2014 £
Sundry income	-	12,483
Commissions receivable	799,745	596,862
	<u>799,745</u>	<u>609,345</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	162,257	181,957
Amortisation of intangible assets	208,771	208,771
Exchange differences	(121,405)	(164,891)
Operating lease rentals	284,428	272,235
Profit/loss on sale of assets	(14,360)	(4,450)
Fair value movements	(452,330)	(919,297)

6. AUDITOR'S REMUNERATION

	2015 £	2014 £
Fees payable to the Group's auditor for the audit of the Group's annual accounts	22,300	15,385
Fees payable in respect of taxation services	2,180	1,895

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

7. EMPLOYEES

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

	2015 £	2014 £
Salaries	1,746,178	1,566,865
Social security costs	209,324	189,416
Cost of defined contribution schemes	99,745	28,596
	<u>2,055,247</u>	<u>1,784,877</u>

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

	2015 No.	2014 No.
Production development, sales, marketing, administration and directors	<u>35</u>	<u>34</u>

8. DIRECTORS' REMUNERATION

	2015 £	2014 £
Directors' emoluments	524,830	497,104
Company contributions to defined contribution pension schemes	73,311	11,480
	<u>598,141</u>	<u>508,584</u>

The highest paid director received remuneration of £334,296 (2014 - £359,144).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £73,311 (2014 - £11,480).

During the year retirement benefits were accruing to 1 director (2014 - 1) in respect of a defined contribution pension scheme.

9. INTEREST RECEIVABLE

	2015 £	2014 £
Other interest receivable	3,877	4,222
	<u>3,877</u>	<u>4,222</u>

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

10. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Bank interest payable	40,999	58,723
Other loan interest payable	18,000	18,000
Finance leases and hire purchase contracts	-	1,222
	<u>58,999</u>	<u>77,945</u>

11. TAXATION

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	1,003,830	998,231
Adjustments in respect of previous periods	(34,707)	-
Total current tax	<u>969,123</u>	<u>998,231</u>
Deferred tax		
Origination and reversal of timing differences	72,736	224,112
Total deferred tax	<u>72,736</u>	<u>224,112</u>
Taxation on profit on ordinary activities	<u>1,041,859</u>	<u>1,222,343</u>

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

11. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21.49). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>5,159,682</u>	<u>5,453,851</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%)	1,044,836	1,172,033
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	42,276	44,865
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,945	3,381
Adjustments to tax charge in respect of prior periods	(34,707)	-
Impact of changes in taxation rates on deferred taxation	(14,275)	2,064
Non-taxable income	(216)	-
Total tax charge for the year	<u><u>1,041,859</u></u>	<u><u>1,222,343</u></u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

12. DIVIDENDS

	2015 £	2014 £
Ordinary		
Dividends paid	<u>700,286</u>	<u>269,341</u>
	<u><u>700,286</u></u>	<u><u>269,341</u></u>

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

13. INTANGIBLE ASSETS

Group

	As restated Goodwill £
Cost	
At 1 January 2015	<u>1,043,856</u>
At 31 December 2015	<u>1,043,856</u>
Amortisation	
At 1 January 2015	<u>208,771</u>
Charge for the year	<u>208,771</u>
At 31 December 2015	<u>417,542</u>
Net book value	
At 31 December 2015	<u>626,314</u>
At 31 December 2014	<u>835,085</u>

14. PARENT COMPANY PROFIT FOR THE YEAR

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 profit after tax of the parent Company for the year was £2,110,621 (2014 - £944,930).

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

15. TANGIBLE FIXED ASSETS

Group

	Plant & machinery £	Motor vehicles £	Furniture, fittings and equipment £	Total £
Cost				
At 1 January 2015	918,823	144,666	230,435	1,293,924
Additions	124,012	18,400	19,419	161,831
Disposals	-	(46,016)	-	(46,016)
At 31 December 2015	1,042,835	117,050	249,854	1,409,739
Depreciation				
At 1 January 2015	645,787	66,951	210,919	923,657
Charge owned for the period	125,291	24,557	12,409	162,257
Disposals	-	(46,016)	-	(46,016)
At 31 December 2015	771,078	45,492	223,328	1,039,898
At 31 December 2015	271,757	71,558	26,526	369,841
At 31 December 2014	273,036	77,715	19,516	370,267

Company

	Motor vehicles £
Cost or valuation	
At 1 January 2015	82,900
At 31 December 2015	82,900
Depreciation	
At 1 January 2015	5,185
Charge owned for the period	20,724
At 31 December 2015	25,909
At 31 December 2015	56,991
At 31 December 2014	77,715

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

16. FIXED ASSET INVESTMENTS SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
John Adams Leisure Limited	England & Wales	Ordinary	100 %	Toy and games distributor
Toy Brokers Limited	England & Wales	Ordinary	100 %	Toy and games distributor
Bema Sports Company Limited	England & Wales	Ordinary	100 %	Dormant
John Adams Trading Company Limited	England & Wales	Ordinary	100 %	Dormant

The aggregate of the share capital and reserves as at 31 December 2015 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) £
John Adams Leisure Limited	11,900,804	3,293,211
Toy Brokers Limited	1,338,562	455,613
Bema Sports Company Limited	1,175	-
John Adams Trading Company Limited	-	-

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2015 and 31 December 2015	2,829,842
At 31 December 2015	2,829,842
At 31 December 2014	2,829,842

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

17. STOCKS

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Finished goods and goods for resale	3,859,624	3,197,340	-	-
	3,859,624	3,197,340	-	-

18. DEBTORS

	Group 2015 £	Group As restated 2014 £	Company 2015 £	Company As restated 2014 £
Trade debtors	13,133,783	12,235,274	-	-
Amounts owed by group undertakings	-	-	819,694	106,121
Other debtors	382,295	429,396	201,865	259,826
Prepayments and accrued income	910,976	1,352,901	4,272	2,433
Deferred taxation	-	-	10,575	-
Investment in short term deposits	215,165	15,770	-	-
Financial instruments	1,006,933	554,604	-	-
	15,649,152	14,587,945	1,036,406	368,380

19. CASH AND CASH EQUIVALENTS

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Cash at bank and in hand	1,536,330	3,656,048	18,685	736,785
	1,536,330	3,656,048	18,685	736,785

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

20. CREDITORS: Amounts falling due within one year

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Bank loans	138,889	2,381,745	-	-
Other loans	300,000	300,000	300,000	300,000
Trade creditors	672,229	1,573,364	33,026	45,563
Amounts owed to group undertakings	-	-	651,413	931,413
Corporation tax	609,616	718,734	155,307	135,594
Taxation and social security	1,705,780	1,533,102	213,346	64,788
Accruals and deferred income	5,187,814	4,684,717	428,258	405,651
	8,614,328	11,191,662	1,781,350	1,883,009

21. CREDITORS: Amounts falling due after more than one year

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Bank loans	-	138,889	-	-
	-	138,889	-	-

Secured loans

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the Group. At 31 December 2015 bank loans and overdrafts were £138,889 (2014: £2,520,634).

22. FINANCIAL INSTRUMENTS

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Financial assets measured at fair value through profit or loss	1,006,933	554,603	-	-
Financial assets that are debt instruments measured at amortised cost	13,516,078	12,664,670	1,021,559	365,947
	14,523,011	13,219,273	1,021,559	365,947
Financial liabilities measured at amortised cost	(6,298,932)	(9,078,715)	(1,412,697)	(1,682,627)
	(6,298,932)	(9,078,715)	(1,412,697)	(1,682,627)

Financial assets measured at fair value through profit or loss are the gains and losses incurred on forward exchange contracts. These have not been traded in active markets and have been fair valued using observable forward exchange rates corresponding to the maturity of the contract.

Financial assets measured at amortised cost comprise trade and other receivables.

Financial liabilities measured at amortised cost comprise trade and other payables.

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

23. DEFERRED TAXATION

Group

	Deferred tax £
At 1 January 2015	(156,610)
Charged to the profit or loss	(72,736)
At 31 December 2015	(229,346)

Company

	Deferred tax £
Charged to the profit or loss	10,575
At 31 December 2015	10,575

The provision for deferred taxation is made up as follows:

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Accelerated capital allowances	(36,296)	(32,195)	-	-
Short term timing differences	(193,050)	(124,415)	10,575	-
	(229,346)	(156,610)	10,575	-

24. RESERVES

Share premium

This reserve represents the amount above the nominal value received for shares issued, less transaction costs.

Capital redemption reserve

This reserve represents the nominal value of shares repurchased by the company.

Profit & loss account

This reserve represents the cumulative profit available for distribution to shareholders.

25. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
1,118,034 (2014 - 1,346,703) Ordinary shares of £1 each	1,118,034	1,346,703

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

26. PENSION COMMITMENTS

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £99,745 (2014: £28,596). At the year end, outstanding contributions totalled £69,729 (2014: £nil).

27. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2015 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Not later than 1 year	284,135	269,176	-	-
Later than 1 year and not later than 5 years	760,158	718,823	-	-
Later than 5 years	83,083	314,675	-	-
Total	1,127,376	1,302,674	-	-

28. TRANSACTIONS WITH DIRECTORS

At the year end the directors S R Pilkington, A C Shepherd and M R Moody owed the company amounts of £161,492 (2014: £211,492), £nil (2014: £20,000) and £nil (2014: £28,334) respectively. The maximum amounts owed during the year were £211,492, £20,000 and £28,334 respectively.

29. RELATED PARTY TRANSACTIONS

During the year purchases and charges of £527,924 (2014: £513,633) were made to the Group by companies related to Directors. At 31 December 2015 the Group owed those companies £263,745 (2014: £33,951).

At 31 December 2015 £300,000 (2014: £300,000) relating to a loan, was owed to a company related to a Director and £18,000 (2014: £18,000) of loan interest was paid during the year.

Details of key management personnel remuneration can be found in note 8.

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

30. FIRST TIME ADOPTION OF FRS 102

Group

		As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 102 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
	Note						
Fixed assets	1	1,265,260	-	1,265,260	1,414,123	(208,771)	1,205,352
Current assets	2	17,123,242	67,502	17,190,744	20,886,730	554,603	21,441,333
Creditors: amounts falling due within one year	2	(10,848,224)	(364,694)	(11,212,918)	(11,191,662)	-	(11,191,662)
Net current assets		6,275,018	(297,192)	5,977,826	9,695,068	554,603	10,249,671
Total assets less current liabilities		7,540,278	(297,192)	7,243,086	11,109,191	345,832	11,455,023
Creditors: amounts falling due after more than one year		(305,556)	-	(305,556)	(138,889)	-	(138,889)
Provisions for liabilities		(11,298)	11,298	-	(32,195)	(124,415)	(156,610)
Net assets		7,223,424	(285,894)	6,937,530	10,938,107	221,417	11,159,524
Capital and reserves	1,2	7,223,424	(285,894)	6,937,530	10,938,105	221,419	11,159,524

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

30. FIRST TIME ADOPTION OF FRS 102 (continued)

		As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
	Note			
Turnover		26,732,675	-	26,732,675
Cost of sales		<u>(11,478,522)</u>	-	<u>(11,478,522)</u>
		15,254,153	-	15,254,153
Administrative expenses	1	(11,046,450)	(208,771)	(11,255,221)
Other operating income	2	<u>609,345</u>	<u>919,297</u>	<u>1,528,642</u>
Operating profit		4,817,048	710,526	5,527,574
Interest receivable and similar income		4,222	-	4,222
Interest payable and similar charges		(77,945)	-	(77,945)
Taxation	2	<u>(1,019,128)</u>	<u>(203,215)</u>	<u>(1,222,343)</u>
Profit on ordinary activities after taxation and for the financial year		<u>3,724,197</u>	<u>507,311</u>	<u>4,231,508</u>

Explanation of changes to previously reported profit and equity:

- 1 Previously goodwill arising on consolidation was not amortised. This approach is not permitted under FRS102 and the Directors have taken the decision to amortise goodwill arising on consolidation over 5 years from the transition date.
- 2 Forward foreign currency contracts are recorded on the balance sheet at fair value and accounted for at fair value through profit and loss. Under previous UK GAAP these were not accounted for at fair value. The associated deferred taxation movements have also been accounted for.

TOY BROKERS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

30. FIRST TIME ADOPTION OF FRS 102 (continued)

Company

	As previously stated 1 January 2014 £	Effect of transition 1 January 2014 £	FRS 102 (as restated) 1 January 2014 £	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Note						
Fixed assets	2,829,842	-	2,829,842	2,907,557	-	2,907,557
Current assets	643,000	-	643,000	1,105,165	-	1,105,165
Creditors: amounts falling due within one year	(2,278,544)	-	(2,278,544)	(1,883,009)	-	(1,883,009)
Net current liabilities	(1,635,544)	-	(1,635,544)	(777,844)	-	(777,844)
Total assets less current liabilities	1,194,298	-	1,194,298	2,129,713	-	2,129,713
Net assets	1,194,298	-	1,194,298	2,129,713	-	2,129,713
Capital and reserves	1,194,298	-	1,194,298	2,129,713	-	2,129,713

TOY BROKERS HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

30. FIRST TIME ADOPTION OF FRS 102 (continued)

	As previously stated 31 December 2014 £	Effect of transition 31 December 2014 £	FRS 102 (as restated) 31 December 2014 £
Note			
Turnover	1,413,500	-	1,413,500
	1,413,500	-	1,413,500
Administrative expenses	(781,893)	-	(781,893)
Operating profit	631,607	-	631,607
Income from investments	464,500	-	464,500
Interest receivable and similar income	4,215	-	4,215
Interest payable and similar charges	(24,013)	-	(24,013)
Taxation	(131,379)	-	(131,379)
Profit on ordinary activities after taxation and for the financial year	944,930	-	944,930

Explanation of changes to previously reported profit and equity:

- 1 The policies applied under the company's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.