

FENSTER LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

These financial statements have not been audited as the company is exempt under s477 of the Companies Act 2006 from the requirement to obtain an audit of its financial statements.

CONTENTS

	Page
Statement of financial position	1 - 2
Statement of changes in equity	3
Notes to the financial statements	4 - 10

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	65,484	50,792
		<u>65,484</u>	<u>50,792</u>
Current assets			
Stocks	5	105,543	221,370
Debtors: amounts falling due within one year	6	550,119	325,898
Cash at bank and in hand		150,706	190,358
		<u>806,368</u>	<u>737,626</u>
Creditors: amounts falling due within one year	7	(806,141)	(724,970)
Net current assets		<u>227</u>	<u>12,656</u>
Total assets less current liabilities		<u>65,711</u>	<u>63,448</u>
Provisions for liabilities			
Deferred tax	8	(11,132)	(9,142)
		<u>(11,132)</u>	<u>(9,142)</u>
Net assets		<u><u>54,579</u></u>	<u><u>54,306</u></u>
Capital and reserves			
Called up share capital	9	125	125
Profit and loss account		54,454	54,181
		<u><u>54,579</u></u>	<u><u>54,306</u></u>

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

FENSTER LIMITED
REGISTERED NUMBER:05837826

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2016

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr A Drake
Director

Date: 10 July 2017

The notes on pages 4 to 10 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	125	57,587	57,712
Comprehensive income for the year			
Profit for the year	-	116,594	116,594
Dividends: Equity capital	-	(120,000)	(120,000)
At 1 January 2016	125	54,181	54,306
Comprehensive income for the year			
Profit for the year	-	130,273	130,273
Dividends: Equity capital	-	(130,000)	(130,000)
At 31 December 2016	125	54,454	54,579

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. General information

The company is limited by shares, incorporated in the United Kingdom. The registered number is 05837826, the registered address is 30 Mead Road, Torquay, Devon, TQ2 6TF, and the trading address is units 4 & 5 Midas Court, Minerva Way, Newton Abbot, Devon, TQ12 4PJ. The principal activity of the company during the year was the supply and installation of PVC-U windows, doors and ancillary products, and the manufacture of cavity closers.

2. Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of the first-time adoption of FRS102 is given in note 12.

The following principal accounting policies have been applied:

2.2 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company 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 Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.3 TANGIBLE FIXED ASSETS (CONTINUED)

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

Depreciation is provided on the following basis:

Long-term leasehold property	-	over the period of the lease
Motor vehicles	-	25% 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 in the Statement of income and retained earnings.

2.4 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress and finished goods include labour and attributable overheads.

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

2.5 DEBTORS

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

2.6 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.

2.7 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 debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.9 DIVIDENDS

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

2.10 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

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

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.11 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

2. Accounting policies (continued)

2.12 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position 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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2015: 10).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

4. Tangible fixed assets

	Leasehold Imp'ments	Motor vehicles	Total
	£	£	£
Cost or valuation			
At 1 January 2016	13,680	73,670	87,350
Additions	-	36,737	36,737
Disposals	-	(16,470)	(16,470)
At 31 December 2016	13,680	93,937	107,617
Depreciation			
At 1 January 2016	12,619	23,940	36,559
Charge for the year on owned assets	1,061	18,016	19,077
Disposals	-	(13,502)	(13,502)
At 31 December 2016	13,680	28,454	42,134
Net book value			
At 31 December 2016	-	65,483	65,483
At 31 December 2015	1,062	49,730	50,792

5. Stocks

	2016	2015
	£	£
Frames and consumables	105,543	221,370
	<u>105,543</u>	<u>221,370</u>

6. Debtors

	2016	2015
	£	£
Trade debtors	489,641	246,382
Other debtors	49,681	69,052
Prepayments and accrued income	10,797	10,464
	<u>550,119</u>	<u>325,898</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

7. Creditors: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	216,853	244,669
Amounts owed to group undertakings	460,679	358,437
Corporation tax	29,849	22,727
Other taxation and social security	18,943	17,969
Other creditors	54,638	58,484
Accruals and deferred income	25,179	22,684
	<u>806,141</u>	<u>724,970</u>

8. Deferred taxation

	2016 £
At beginning of year	9,142
Charged to profit or loss	1,990
At end of year	<u>11,132</u>

The provision for deferred taxation is made up as follows:

	2016 £
Accelerated capital allowances	11,132
	<u>11,132</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

9. Share capital

	2016 £	2015 £
SHARES CLASSIFIED AS EQUITY		
ALLOTTED, CALLED UP AND FULLY PAID		
125 Ordinary shares of £1 each	<u>125</u>	<u>125</u>

10. Related party transactions

The properties that the company trades from are partly owned by the director, Mr A Drake and his wife. Rent of £17,248 was paid to Mr & Mrs Drake by the company during the year.

Included in creditors at 31 December 2016 are inter-company balances of £315,801 (2015: £292,389) owing to the parent company, Marymead Limited.

Also included in creditors is a balance of £144,878 (2015: £66,048) owing to a fellow subsidiary, Fenster Fabrications Limited.

During the year, Marymead Limited invoiced the company for management charges totalling £119,878 (2015: £117,500). As at 31 December 2016, there was a balance owing by Fenster Limited to Marymead Limited in this respect of £56,734 and this is included in trade creditors.

Also during the year, the company traded with fellow subsidiary, Fenster Fabrications Limited on normal commercial terms. There were purchases from Fenster Fabrications Limited in the year of £605,862. As at 31 December 2016, the company owed £32,081 to Fenster Fabrications Limited and was owed £3,021 by Fenster Fabrications Limited in this respect. These balances are included in trade creditors and trade debtors respectively.

11. Controlling party

The company's ultimate parent undertaking at the balance sheet date was Marymead Limited, a company incorporated in England and Wales. Copies of the financial statements can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

12. First time adoption of FRS 102

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