

Apelson Appliances UK Ltd

Directors' Report and Financial Statements

Year Ended

31 December 2017

Company Number 08265471



Apelson Appliances UK Ltd

Company Information

Director	J J Morales Del Pino
Company secretary	A P Rex
Registered number	08265471
Registered office	Unit 3 Normandy Landings Pope Street Castleford West Yorkshire WF6 2AG
Independent auditor	BDO LLP Central Square 29 Wellington Street Leeds LS1 4DL

Apelson Appliances UK Ltd

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Apelson Appliances UK Ltd

Directors' Report For the Year Ended 31 December 2017

The director presents his report together with the audited financial statements for the year ended 31 December 2017.

Principal activity

The principal activities of the company continue to be the import and distribution of kitchen appliances and the provision of after sales support services.

Results and dividends

The profit for the year, after taxation, amounted to £321,055 (2016 - £185,698).

No dividends were paid in either 2016 or 2017.

Directors

The directors who served during the year were:

J J Morales Del Pino (appointed 25 September 2017)
A C Rutland (resigned 25 September 2017)

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

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report the directors have taken advantage of the small companies exemptions provided by section 415a of the Companies Act 2006.

This report was approved by the board on 17 April 2018 and signed on its behalf.


J J Morales Del Pino
Director

Apelson Appliances UK Ltd

Director's Responsibilities Statement For the Year Ended 31 December 2017

The directors are responsible for preparing the strategic report, the director's 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 director must not approve the financial statements unless he is satisfied that he gives 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Apelson Appliances UK Ltd

Independent Auditor's Report to the Members of Apelson Appliances UK Ltd

Opinion

We have audited the financial statements of Apelson Appliances UK Limited ("the company") for the year ended 31 December 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a fair and true view of state of the company's affairs as at 31 December 2017 and its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Apelson Appliances UK Ltd

Independent Auditor's Report to the Members of Apelson Appliances UK Ltd (continued)

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Apelson Appliances UK Ltd

Independent Auditor's Report to the Members of Apelson Appliances UK Ltd (continued)

Responsibilities of directors

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

BDO LLP

Mark Langford (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Leeds
United Kingdom

Date: *13 JUNE 2018*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Apelson Appliances UK Ltd

Statement of Income and Retained Earnings For the Year Ended 31 December 2017

	Note	2017 £	2016 £
Turnover		12,488,857	12,157,674
Cost of sales		(9,785,436)	(9,001,680)
Gross profit		2,703,421	3,155,994
Distribution costs		(636,479)	(714,458)
Administrative expenses		(1,670,620)	(2,212,770)
Operating profit		396,322	228,766
Interest receivable and similar income		11	57
Interest payable and similar charges		(99)	-
Profit before tax		396,234	228,823
Tax on profit	6	(75,179)	(43,125)
Profit after tax		321,055	185,698
Retained earnings at the beginning of the year		70,879	(114,819)
Profit for the year		321,055	185,698
Retained earnings at the end of the year		391,934	70,879

The results above are generated from continuing operations.

The notes on pages 9 to 19 form part of these financial statements.

Apelson Appliances UK Ltd

Registered number: 08265471

Statement of Financial Position As at 31 December 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	7		393,370		327,647
Current assets					
Stocks	8	2,871,299		2,302,300	
Debtors	9	1,286,118		925,600	
Cash at bank and in hand		428,542		209,214	
		<u>4,585,959</u>		<u>3,437,114</u>	
Creditors: amounts falling due within one year	10	(4,139,482)		(3,284,136)	
Net current assets			<u>446,477</u>		<u>152,978</u>
Total assets less current liabilities			<u>839,847</u>		<u>480,625</u>
Provisions for liabilities					
Deferred tax	12	(50,519)		(26,908)	
Other provisions	13	(377,394)		(362,838)	
			<u>(427,913)</u>		<u>(389,746)</u>
Net assets			<u>411,934</u>		<u>90,879</u>
Capital and reserves					
Called up share capital	15	20,000		20,000	
Profit and loss account	16	391,934		70,879	
Total equity			<u>411,934</u>		<u>90,879</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime per paragraph 382 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

17 April 2018.


J J Morales Del Pino
Director

The notes on pages 9 to 19 form part of these financial statements.

Apelson Appliances UK Ltd

Statement of Changes in Equity For the Year Ended 31 December 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	20,000	70,879	90,879
Comprehensive income for the year			
Profit for the year	-	321,055	321,055
Total comprehensive income for the year	-	321,055	321,055
At 31 December 2017	20,000	391,934	411,934

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 2016	20,000	(114,819)	(94,819)
Comprehensive income for the year			
Profit for the year	-	185,698	185,698
Total comprehensive income for the year	-	185,698	185,698
At 31 December 2016	20,000	70,879	90,879

The notes on pages 9 to 19 form part of these financial statements.

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

1. General information

Apelson Appliances UK Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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

The director has prepared the financial statements on a going concern basis having considered the cash position of the company and future trading outlook.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Turnover

Revenue from the sale of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the company will receive the previously agreed upon payment. These criteria are generally considered to be met on despatch of the goods.

Revenue from the maintenance of goods is recognised on a monthly basis in line with the costs incurred of providing the service.

2.3 Cost of sales and distribution costs

Cost of sales represent the direct costs to the business associated with generating revenue, being most significantly the cost of the stock sold.

Distribution costs are the related costs incurred by the company in shipping sales orders to the customers.

2.4 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 company 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 company. 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.

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

2. Accounting policies (continued)

2.4 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.

The estimated useful lives range as follows:

Leasehold improvements	- Over 10 years
Plant and machinery	- 10 - 50% straight line basis
Motor vehicles	- 4 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income and retained earnings.

2.5 Operating leases: the company as lessee

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

2.6 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.

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.

2.7 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.

2.8 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.

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

2. Accounting policies (continued)

2.9 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.

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 statement of income and retained earnings.

The financing liability relating to the invoice financing is shown gross as the ownership of the debt remains with the company therefore the financial asset is not derecognised.

2.10 Creditors

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

2.11 Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the statement of financial position date. Any differences are taken to the statement of income and retained earnings.

2.12 Pensions

Contributions to the company's defined contribution pension scheme are charged to the statement of income and retained earnings in the year in which they become payable.

2.13 Interest income

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

2.14 Borrowing costs

All borrowing costs are recognised in the statement of income and retained earnings in the year in which they are incurred.

2.15 Provisions for liabilities

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

2. Accounting policies (continued)

2.16 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. Judgements in applying accounting policies and key sources of estimation uncertainty

Key sources of estimation uncertainty

- Tangible fixed assets (see note 7)

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. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Stock provision (see note 8)

The company estimates the impairment to the carrying value of stock by assessing the amount and value of obsolete and slow-moving stock, using their judgement of the future sales value generated by those stock items.

- Warranty provision (see note 13)

The warranty provision is measured at the best estimate of the expenditure required to settle future obligations on returned goods at the reporting date. The buyer has the right to claim for parts and labour for repairs within two years of buying a product and the right to claim for parts for an additional three years. Management estimates the repair costs based on actual costs incurred on similar sales.

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

4. Employees

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

	2017 No.	2016 No.
Average number of employees	33	29

5. Directors' remuneration

The director received £Nil emoluments direct from the company during the current year (2016 - £Nil).

The former director, A Rutland, was a nominee director under an arrangement between Jordan Cossec Limited and Apelson Appliances UK Ltd. Total fees paid to Jordan Cossec Limited for the period to resignation were £2,930 (2016 - £5,047).

6. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	51,568	-
Total current tax	51,568	-
Deferred tax		
Origination and reversal of timing differences	23,023	42,224
Changes to tax rates	-	901
Adjustments in respect to prior periods	588	-
Total deferred tax	23,611	43,125
Taxation on profit on ordinary activities	75,179	43,125

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>396,234</u>	<u>228,823</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%)	76,261	45,765
Effects of:		
Fixed asset differences	1,138	1,678
Expenses not deductible for tax purposes	234	2,924
Adjustments to tax charge in respect of prior periods	588	-
Effect of change in tax rates	(3,042)	(7,242)
Total tax charge for the year	<u><u>75,179</u></u>	<u><u>43,125</u></u>

Factors that may affect future tax charges

The company had unutilised tax losses available to carry forward of £Nil (2016 - £58,458).

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

7. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2017	131,801	242,768	86,105	460,674
Additions	2,334	119,823	27,870	150,027
Disposals	-	-	(51,995)	(51,995)
At 31 December 2017	<u>134,135</u>	<u>362,591</u>	<u>61,980</u>	<u>558,706</u>
Depreciation				
At 1 January 2017	33,491	50,993	48,543	133,027
Charge for the year	13,263	38,558	16,527	68,348
Disposals	-	-	(36,039)	(36,039)
At 31 December 2017	<u>46,754</u>	<u>89,551</u>	<u>29,031</u>	<u>165,336</u>
Net book value				
At 31 December 2017	<u>87,381</u>	<u>273,040</u>	<u>32,949</u>	<u>393,370</u>
At 31 December 2016	<u>98,310</u>	<u>191,775</u>	<u>37,562</u>	<u>327,647</u>

8. Stocks

	2017 £	2016 £
Finished goods and goods for resale	1,870,945	1,855,422
Goods in transit	1,000,354	446,878
	<u>2,871,299</u>	<u>2,302,300</u>

There is no material difference between the replacement cost of stocks and the amounts stated above.

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

9. Debtors

	2017 £	2016 £
Due after more than one year		
Other debtors	33,125	33,125
Due within one year		
Trade debtors	1,031,480	829,318
Other debtors	2,278	7,567
Prepayments and accrued income	219,235	55,590
	<u>1,286,118</u>	<u>925,600</u>

The impairment loss recognised in profit or loss for the year in respect of bad and doubtful trade debtors was £6,736 (2016 - £3,230).

10. Creditors: Amounts falling due within one year

	2017 £	2016 £
Invoice financing (secured)	697,190	461,324
Trade creditors	2,803,861	2,652,170
Corporation tax	51,568	-
Taxation and social security	135,356	33,931
Other creditors	451,507	136,711
	<u>4,139,482</u>	<u>3,284,136</u>

Advances in respect of invoice financing are secured on the book debts of the company.

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

11. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>1,495,425</u>	<u>1,079,224</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(3,952,558)</u>	<u>(3,236,455)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors and invoice financing.

12. Deferred taxation

	2017 £
At beginning of year	26,908
Charged to the profit or loss	23,611
At end of year	<u>50,519</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	50,666	36,846
Short term timing differences	(147)	-
Unutilised tax losses	-	(9,938)
	<u>50,519</u>	<u>26,908</u>

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

13. Warranty provisions

	Warranty provisions £
At 1 January 2017	362,838
Charged to profit and loss	149,319
Utilised in year	(134,763)
At 31 December 2017	377,394

Warranty provisions relate to anticipated future after care costs which are expected to be settled within 2 years from the point of sale.

14. Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £131,455 (2016 - £114,045). Contributions amounting to £869 (2016 - £Nil) were payable to the fund and are included in creditors at the year end.

15. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
200 ordinary shares of £100 each	<u>20,000</u>	<u>20,000</u>

All shares carry the right to one vote each, to participate in dividends of the company and in a return of capital arising from a winding up event.

16. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Apelson Appliances UK Ltd

Notes to the Financial Statements For the Year Ended 31 December 2017

17. Commitments under operating leases

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

	2017 £	2016 £
Not later than 1 year	76,180	66,250
Later than 1 year and not later than 5 years	273,995	265,000
Later than 5 years	66,250	132,500
	<u>416,425</u>	<u>463,750</u>

18. Related party transactions

	2017 £	2016 £
Key management personnel remuneration		
Key management personnel remuneration	<u>183,024</u>	<u>158,304</u>

19. Ultimate parent company and parent undertaking of larger group

The company is a subsidiary of Kingford Corporation Limited. Kingford Corporation Limited is 100% owned by J J Morales Del Pino, the director of Apelson Appliances UK Ltd.