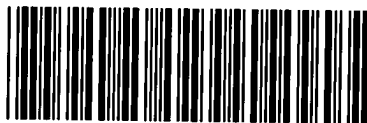


Registration number: 02447653

GEORGE BENICE & SONS (CHELTENHAM) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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GEORGE BENICE & SONS (CHELTENHAM) LIMITED

CONTENTS

Company Information	1
Directors' Report	2
Strategic Report	3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 6
Profit and Loss Account	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 to 17

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

COMPANY INFORMATION

Directors	Christopher G Bence
	Paul C Bence
	Carlwyn J Coombes
Registered office	41/47 Fairview Road Cheltenham GL52 2EJ
Bankers	Lloyds Bank Plc Ley Court Barnett Way Gloucester GL4 3RT
	National Westminster Bank Plc 118 High Street Cheltenham GL50 1EG
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the company is that of builders and plumbers merchants.

Directors of the company

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

Christopher G Bence

Paul C Bence

Carlwyn J Coombes

Future developments

The external commercial environment is expected to remain flat during 2017. The directors are ready to react to any changes in trading conditions in order to maintain and improve their performance in the future.

Disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

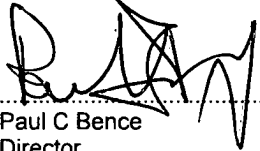
Reappointment of auditors

Hazlewoods LLP have expressed their willingness to continue in office.

Medium sized company provisions

This report has been prepared in accordance with the special provisions relating to medium-sized companies within part 15 of the Companies act 2006.

Approved by the Board on 18/08/17 and signed on its behalf by:



Paul C Bence
Director

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their strategic report for the year ended 31 December 2016.

Business review

The directors consider that the business has performed adequately during the year given the market conditions, and consider the financial resources available to the company at the year end to be sufficient.

The results for the year, which are set out in the profit and loss account, show pre-tax profit for the year of £348,574 (2015 - £285,634). The company has trade debtors of £1,828,842 (2015 - £2,003,855) and trade creditors of £1,957,556 (2015 - £2,132,372). The company has short term debt of £25,333 (2015 - £24,183) and long term debt of £93,609 (2015 - £118,942).

Key performance indicators

Given the straight forward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or the position of the business.

Principal risks and uncertainties

The management of the company and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to the general economic climate, and competition from other national builders merchants.

Financial instruments

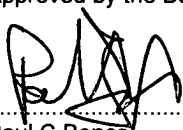
The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are not subject to price or liquidity risk.

Going concern and liquidity risk

In accordance with Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2006' the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The company has sufficient financial resources available and is currently trading profitably and generating cash. The directors have prepared forecasts for the next 12 months that indicate that this trend will continue. The directors believe that the company has sufficient resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Approved by the Board on 18/08/17 and signed on its behalf by:


.....
Paul C Bence
Director

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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.

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GEORGE BENCE & SONS (CHELTENHAM) LIMITED

We have audited the financial statements of George Bence & Sons (Cheltenham) Limited for the year ended 31 December 2016, set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of 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.

Opinion on other matter 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Director's Report have been prepared in accordance with applicable legal requirements.

In light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GEORGE BENCE & SONS
(CHELTENHAM) 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, 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.



Jon Cartwright (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date:

23 August 2017

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
Turnover	3	15,332,135	14,913,765
Cost of sales		<u>(10,981,873)</u>	<u>(10,779,897)</u>
Gross profit		4,350,262	4,133,868
Distribution costs		(1,130,590)	(1,214,512)
Administrative expenses		(2,870,802)	(2,628,416)
Other operating income		<u>8,000</u>	<u>3,000</u>
Operating profit	4	356,870	293,940
Interest receivable and similar income		1,558	10,818
Interest payable and similar charges	5	<u>(9,854)</u>	<u>(19,124)</u>
Profit before tax		348,574	285,634
Taxation	9	<u>(62,164)</u>	<u>(65,444)</u>
Profit for the financial year		<u><u>286,410</u></u>	<u><u>220,190</u></u>

The above results were derived from continuing operations.

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

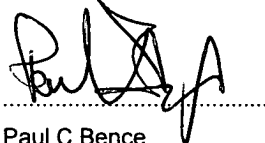
The notes on pages 10 to 17 form an integral part of these financial statements.

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

**(REGISTRATION NUMBER: 02447653)
BALANCE SHEET AS AT 31 DECEMBER 2016**

	Note	2016 £	2015 £
Current assets			
Stocks	10	707,646	823,806
Debtors	11	2,282,955	2,468,397
Cash at bank and in hand		<u>891,685</u>	<u>585,062</u>
		3,882,286	3,877,265
Creditors: Amounts falling due within one year	12	<u>(3,038,677)</u>	<u>(3,008,323)</u>
Total assets less current liabilities		843,609	868,942
Creditors: Amounts falling due after more than one year	12	<u>(93,609)</u>	<u>(118,942)</u>
Net assets		<u>750,000</u>	<u>750,000</u>
Capital and reserves			
Called up share capital	14	100,000	100,000
Retained earnings		<u>650,000</u>	<u>650,000</u>
Total equity		<u>750,000</u>	<u>750,000</u>

Approved and authorised by the Board on 18/08/17 and signed on its behalf by:



Paul C Bence
Director

The notes on pages 10 to 17 form an integral part of these financial statements.

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

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

	Share capital £	Retained earnings £	Total £
At 1 January 2015	100,000	650,000	750,000
Profit for the year	-	220,190	220,190
Dividends	-	(220,190)	(220,190)
At 31 December 2015	<u>100,000</u>	<u>650,000</u>	<u>750,000</u>

	Share capital £	Retained earnings £	Total £
At 1 January 2016	100,000	650,000	750,000
Profit for the year	-	286,410	286,410
Dividends	-	(286,410)	(286,410)
At 31 December 2016	<u>100,000</u>	<u>650,000</u>	<u>750,000</u>

The notes on pages 10 to 17 form an integral part of these financial statements.

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

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

1 General information

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

The address of its registered office is:
41/47 Fairview Road
Cheltenham
GL52 2EJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The company is exempt from preparing a cash flow statement and disclosing group balances as 90% or more of the voting rights are held within the group.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises of current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

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

Stock

Stock is valued at the lower of cost and net realisable value. Cost is represented by direct materials and labour together with attributable amounts of fixed and variable overheads incurred in bringing each product to its present location and condition. Net realisable value is estimated selling price less further costs of completion and disposal.

Leases

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

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Finance costs

All finance costs in connection with borrowing are allocated to the profit and loss account at a constant rate on the carrying amount shown in the balance sheet. Accrued finance costs are included in accruals to the extent that they will be paid in cash in the next accounting period, but otherwise are added to the carrying amount of the borrowings.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

3 Turnover

The company's revenue for the year comprises of the sale of goods in the United Kingdom which are all continuing operations.

4 Operating profit

Arrived at after charging:

	2016	2015
	£	£
Operating lease expense - property	353,282	174,267
Operating lease expense - plant and machinery	19,450	21,457

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

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

5 Interest payable and similar expenses

	2016	2015
	£	£
Interest on bank overdrafts and borrowings	76	509
Interest on other finance liabilities	<u>9,778</u>	<u>18,615</u>
	<u>9,854</u>	<u>19,124</u>

6 Staff costs

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

	2016	2015
	£	£
Wages and salaries	2,376,866	2,319,617
Social security costs	227,985	228,566
Pension costs, defined contribution scheme	<u>36,247</u>	<u>41,275</u>
	<u>2,641,098</u>	<u>2,589,458</u>

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

	2016	2015
	No.	No.
Administration and support	64	60
Distribution	<u>34</u>	<u>34</u>
	<u>98</u>	<u>94</u>

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

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

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	267,951	317,621
Contributions paid to money purchase schemes	17,645	17,645
	<u>285,596</u>	<u>335,266</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2016 No.	2015 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

In respect of the highest paid director:

	2016 £	2015 £
Remuneration	102,321	135,458
Company contributions to money purchase pension schemes	<u>17,644</u>	<u>17,645</u>

8 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	<u>8,160</u>	<u>8,000</u>

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

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

9 Corporation tax

Tax charged in the profit and loss account

	2016 £	2015 £
Current taxation		
UK corporation tax	67,752	14,510
UK corporation tax adjustment to prior periods	<u>(14,510)</u>	<u>-</u>
	53,242	14,510
Deferred taxation		
Arising from origination and reversal of timing differences	<u>8,922</u>	<u>50,934</u>
Tax expense in the income statement	<u><u>62,164</u></u>	<u><u>65,444</u></u>

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

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	<u>348,574</u>	<u>285,634</u>
Corporation tax at standard rate	69,715	57,127
Effect of expense not deductible in determining taxable profit (tax loss)	6,959	9,111
UK deferred tax expense (credit) relating to changes in tax rates or laws	-	(433)
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	(14,510)	-
Other reconciling items	<u>-</u>	<u>(361)</u>
Total tax charge	<u><u>62,164</u></u>	<u><u>65,444</u></u>

Deferred tax

Deferred tax assets and liabilities

	Asset £
2015	
Other timing differences	<u><u>8,922</u></u>

10 Stocks

	2016 £	2015 £
Goods for resale	<u><u>707,646</u></u>	<u><u>823,806</u></u>

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

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

11 Debtors

	2016	2015
	£	£
Trade debtors	1,828,842	2,003,855
Other debtors	50,743	22,618
Prepayments and accrued income	403,370	433,002
Deferred tax asset	-	8,922
	<u>2,282,955</u>	<u>2,468,397</u>

12 Creditors

	2016	2015
	£	£
Due within one year		
Loans and borrowings	25,333	24,183
Trade creditors	1,957,556	2,132,372
Amounts due to group undertakings	418,153	462,348
Social security and other taxes	215,673	199,628
Pension contributions	411	6,323
Other creditors	202,837	36,826
Accruals and deferred income	165,472	134,297
Corporation tax liability	53,242	12,346
	<u>3,038,677</u>	<u>3,008,323</u>
Due after one year		
Loans and borrowings	<u>93,609</u>	<u>118,942</u>

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

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

13 Loans and borrowings

	2016 £	2015 £
Current loans and borrowings		
Bank borrowings	<u>25,333</u>	<u>24,183</u>

	2016 £	2015 £
Non-current loans and borrowings		
Bank borrowings	<u>93,609</u>	<u>118,942</u>

Bank borrowings

The bank loan is denominated in £ with a nominal interest rate of 4.67%, and the final instalment is due on 20 May 2021. The carrying amount at year end is £118,942 (2015 - £143,125).

The bank loan is secured by an unlimited debenture over the company's assets.

14 Share capital

Allotted, called up and fully paid shares

	2016 No.	£	2015 No.	£
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>

15 Obligations under operating leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	48,110	95,051
Later than one year and not later than five years	94,719	30,725
Later than five years	-	42,815
	<u>142,829</u>	<u>168,591</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £334,332 (2015 - £195,724).

16 Dividends

	2016 £	2015 £
Dividends paid	<u>286,410</u>	<u>220,190</u>

GEORGE BENCE & SONS (CHELTENHAM) LIMITED

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

17 Pension and other schemes

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £36,247 (2015 - £41,275).

Contributions totalling £411 (2015 - £6,323) were payable to the scheme at the end of the year and are included in creditors.

18 Related party transactions

Summary of transactions with related parties

Bence Roofing Supplies Limited - a company with common ownership

During the year the company entered into the following transactions with Bence Roofing Supplies Limited: sales of £32,272 (2015 - £42,889); and expenditure of £71,713 (2015 - £89,725). At the balance sheet date the company was owed £35,761 (2015 -£7,800) and owed £nil to (2015 - £465) Bence Roofing Supplies Limited.

19 Control

The company's immediate parent is George Bence & Sons Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is George Bence & Sons Limited. These financial statements are available upon request from the company's registered office.