Registered number: 06167021

Weller Holdings Limited

Directors' Report and Financial Statements

For the Year Ended 31 December 2017

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ACCOUNTANTS

Weller Holdings Limited

Company Information

Directors	S R Weller P G Weller
Company secretary	S R Weller
Registered number	06167021
Registered office	Birchbrook Industrial Park Birchbrook Lane Shenstone Staffordshire WS14 0DJ
Independent auditor	Dains LLP 15 Colmore Row Birmingham B3 2BH
Bankers	Svenska Handelsbanken AB 100 First Avenue Burton upon Trent DE14 2WE

Weller Holdings Limited

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Group Strategic Report
For the Year Ended 31 December 2017

Business review

We aim to present a balanced and comprehensive review of the development and performance of the group during the year and its position at the year end. Our review is consistent with the size and non-complex nature of the group and is written in the context of the risks and uncertainties we face.

As for many group's of our size, the business environment in which we operate continues to be challenging. With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control. However, we will continue to show flexibility and respond to market conditions and opportunities as they arise.

Principal risks and uncertainties

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

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through use of overdrafts at floating rates of interest. All of the group's cash balances are held in such a way that achieves a competitive rate of interest.

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

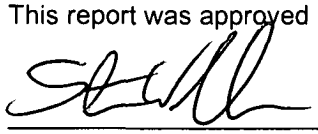
Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Exposure to the volatility of the US Dollar / Sterling exchange rate is minimised by forward exchange rate contracts for our US Dollar purchases.

Financial key performance indicators

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and gross profit. During the year the group's turnover grew by 8.5% to £14.8 million whilst gross profit increased from £4.03 million in 2016 to £4.05 million in 2017. The directors are satisfied with the performance during the year.

This report was approved by the board on 26 July 2018 and signed on its behalf.



S R Weller
Director

Directors' Report
For the Year Ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of Group is the sale of paper, polythene and associated packaging products. The principal activity of the Company is that of a dormant holding company.

Directors

The directors who served during the year were:

S R Weller
P G Weller

Results and dividends

The profit for the year, after taxation, amounted to £1,429,038 (2016 - £1,368,366).

The directors have approved the payment of an interim dividend amounting to £629,363 (2016 - £3,055,250). The directors do not propose a final dividend (2016 - £Nil).

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 they are 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 for the Group's financial statements and then apply them consistently;
- make judgments 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 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 to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

Future developments

The directors are confident of the continued good performance of the Group. The Group continues to promote its product range and seeks to increase its market share.

Post balance sheet events

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

Going concern

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Matters covered in the strategic report

Details on the principal risks and uncertainties are contained in the strategic report.

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 and the Group'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 and the Group's auditor is aware of that information.

Auditor

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

This report was approved by the board on 26 July 2018 and signed on its behalf.

S R Weller
Director

Independent Auditor's Report to the Members of Weller Holdings Limited

Opinion

We have audited the financial statements of Weller Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2017, which comprise the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated and company balance sheets, the consolidated statement of cash flows, the consolidtaed and company statement of changes in equity and the related notes, 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2017 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.

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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent 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 the financial statements are authorised for issue.

Other information

The directors are 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.

Opinion 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' 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 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 2, the directors are 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 directors determine 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 directors are responsible for assessing the Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Weller Holdings Limited (continued)

Auditors' 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 on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Dains LLP

Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham
Date: 26 July 2018

Consolidated Profit and Loss Account
For the Year Ended 31 December 2017

	Note	2017 £	2016 £
Turnover	4	**14,786,427**	13,632,142
Cost of sales		**(10,741,849)**	(9,603,186)
Gross profit		**4,044,578**	4,028,956
Distribution costs		**(490,054)**	(483,233)
Administrative expenses		**(1,699,573)**	(1,741,449)
Other operating income	5	**31,906**	28,208
Operating profit	6	**1,886,857**	1,832,482
Interest receivable and similar income	9	**239**	1,714
Interest payable and similar expenses	10	**(84,758)**	(92,620)
Profit before tax		**1,802,338**	1,741,576
Tax on profit	11	**(373,300)**	(373,210)
Profit for the financial year		**1,429,038**	1,368,366
Profit for the year attributable to:			
Owners of the parent		**1,429,038**	1,368,366
		1,429,038	1,368,366

The notes on pages 14 to 32 form part of these financial statements.

Consolidated Statement of Comprehensive Income
For the Year Ended 31 December 2017

	2017 £	2016 £
Profit for the financial year	**1,429,038**	1,368,366
Total comprehensive income for the year	**1,429,038**	1,368,366
Profit for the year attributable to:		
Owners of the parent Company	**1,429,038**	1,368,366
	1,429,038	1,368,366
Total comprehensive income attributable to:		
Owners of the parent Company	**1,429,038**	1,368,366
	1,429,038	1,368,366

There were no recognised gains and losses for 2017 or 2016 other than those included in the consolidated profit and loss account.

The notes on pages 14 to 32 form part of these financial statements.

Weller Holdings Limited
Registered number:06167021

Consolidated Balance Sheet
As at 31 December 2017

	Note		2017 £		2016 £
Fixed assets					
Intangible assets	14		**904,152**		993,846
Tangible assets	15		**1,171,215**		1,215,035
			2,075,367		2,208,881
Current assets					
Stocks	17	**3,419,771**		3,177,076	
Debtors: amounts falling due within one year	18	**2,815,610**		2,731,990	
Cash at bank and in hand	19	**137,444**		845,062	
		6,372,825		6,754,128	
Creditors: amounts falling due within one year	20	**(2,873,022)**		(4,101,380)	
Net current assets			**3,499,803**		2,652,748
Total assets less current liabilities			**5,575,170**		4,861,629
Creditors: amounts falling due after more than one year	21		**(640,000)**		(720,000)
Provisions for liabilities					
Deferred taxation	24		**(9,800)**		(15,934)
Net assets			**4,925,370**		4,125,695
Capital and reserves					
Called up share capital	25		**12,502**		12,502
Other reserves			**2,279,682**		2,279,682
Profit and loss account			**2,633,186**		1,833,511
Equity attributable to owners of the parent Company			**4,925,370**		4,125,695

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 July 2018.

S R Weller
Director

P G Weller
Director

The notes on pages 14 to 32 form part of these financial statements.

Weller Holdings Limited
Registered number:06167021

Company Balance Sheet
As at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Investments	16	**12,501**	12,501
		12,501	12,501
Current assets			
Debtors: amounts falling due within one year	18	**1**	1
Net assets		**12,502**	12,502
Capital and reserves			
Called up share capital	25	**12,502**	12,502
		12,502	12,502

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 July 2018.

S R Weller
Director

P G Weller
Director

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

	Called up share capital	Other reserves	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 January 2017	12,502	2,279,682	1,833,511	4,125,695	4,125,695
Comprehensive income for the year					
Profit for the year	-	-	1,429,038	1,429,038	1,429,038
Total comprehensive income for the year	-	-	1,429,038	1,429,038	1,429,038
Dividends: Equity capital	-	-	(629,363)	(629,363)	(629,363)
Total transactions with owners	-	-	(629,363)	(629,363)	(629,363)
At 31 December 2017	12,502	2,279,682	2,633,186	4,925,370	4,925,370

Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2016

	Called up share capital	Other reserves	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 January 2016	12,502	2,279,682	3,520,395	5,812,579	5,812,579
Comprehensive income for the year					
Profit for the year	-	-	1,368,366	1,368,366	1,368,366
Total comprehensive income for the year	-	-	1,368,366	1,368,366	1,368,366
Dividends: Equity capital	-	-	(3,055,250)	(3,055,250)	(3,055,250)
Total transactions with owners	-	-	(3,055,250)	(3,055,250)	(3,055,250)
At 31 December 2016	12,502	2,279,682	1,833,511	4,125,695	4,125,695

The notes on pages 14 to 32 form part of these financial statements.

Company 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	12,502	-	12,502
Comprehensive income for the year			
Profit for the year	-	629,363	629,363
Total comprehensive income for the year	-	629,363	629,363
Contributions by and distributions to owners			
Dividends: Equity capital	-	(629,363)	(629,363)
Total transactions with owners	-	(629,363)	(629,363)
At 31 December 2017	12,502	-	12,502

Company 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	12,502	-	12,502
Comprehensive income for the year			
Profit for the year	-	3,055,250	3,055,250
Total comprehensive income for the year	-	3,055,250	3,055,250
Contributions by and distributions to owners			
Dividends: Equity capital	-	(3,055,250)	(3,055,250)
Total transactions with owners	-	(3,055,250)	(3,055,250)
At 31 December 2016	12,502	-	12,502

The notes on pages 14 to 32 form part of these financial statements.

Consolidated Statement of Cash Flows
For the Year Ended 31 December 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	**1,429,038**	1,368,366
Adjustments for:		
Amortisation of intangible assets	**90,525**	90,628
Depreciation of tangible assets	**106,627**	124,426
Loss on disposal of tangible assets	**(16,678)**	(7,673)
Interest paid	**84,758**	92,620
Interest received	**(239)**	(1,714)
Taxation charge	**373,300**	373,210
(Increase) in stocks	**(242,695)**	(397,344)
(Increase)/decrease in debtors	**(83,621)**	160,137
Increase/(decrease) in creditors	**20,864**	(185,604)
Corporation tax (paid)	**(567,172)**	(241,173)
Net cash generated from operating activities	**1,194,707**	1,375,879
Cash flows from investing activities		
Purchase of intangible fixed assets	**(831)**	-
Purchase of tangible fixed assets	**(185,629)**	(133,140)
Sale of tangible fixed assets	**139,500**	45,750
Interest received	**239**	1,714
Net cash from investing activities	**(46,721)**	(85,676)
Cash flows from financing activities		
New secured loans	**-**	800,000
Repayment of loans	**(80,000)**	-
Other new loans	**-**	1,553,315
Repayment of other loans	**(1,061,483)**	-
Dividends paid	**(629,363)**	(3,055,250)
Interest paid	**(84,758)**	(92,620)
Net cash used in financing activities	**(1,855,604)**	(794,555)
Net (decrease)/increase in cash and cash equivalents	**(707,618)**	495,648
Cash and cash equivalents at beginning of year	**845,062**	349,414
Cash and cash equivalents at the end of year	**137,444**	845,062
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**137,444**	845,062
	137,444	845,062

1. General information

Weller Holdings Limited is a company incorporated in England and Wales under the Companies Act. The address of the registered office is given in the company information section. The nature of the Company's operations and its principal activities are set out in the strategic report and directors report.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form 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 profit and loss account 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 01 January 2014.

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

2. Accounting policies (continued)

2.4 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 Consolidated 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 ten years.

2.5 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.

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 and on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	-	2%	straight line
Plant and machinery	-	15%	straight line
Motor vehicles	-	25%	reducing balance
Fixtures, fittings and equipment	-	15%	straight line
Computer hardware	-	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 Consolidated profit and loss account.

2.6 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.

2. Accounting policies (continued)

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a weighted average basis.

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.

2.8 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.

2.9 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 are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.10 Financial instruments

The Group 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.

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 out-right 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.

2.11 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.

2. Accounting policies (continued)

2.12 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 Consolidated 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 Consolidated profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated profit and loss account within 'other operating income'.

2.13 Finance costs

Finance costs are charged to the Consolidated 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.

2.14 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.

2.15 Operating leases: the Group as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2. Accounting policies (continued)

2.16 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan 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 payment obligations.

The contributions are recognised as an expense in the Consolidated 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.

2.17 Interest income

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

2.18 Borrowing costs

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

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 Consolidated profit and loss account in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet 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 Balance sheet.

2. Accounting policies (continued)

2.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated profit and loss account, 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 balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 balance sheet date.

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

The preparation of the financial statements in conformity with generally accepted accounting principals requires the Directors to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the Directors believe that the critical accounting policies where judgements or estimating are necessarily applied are summarised below.

Depreciation and residual values
The Directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of plant and machinery, and have concluded that asset lives and residual values are appropriate

4. Turnover

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Sale of packaging products	**14,786,427**	13,632,142
	14,786,427	13,632,142

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	**14,460,431**	13,348,699
Rest of Europe	**325,996**	258,250
Rest of the world	**-**	25,193
	14,786,427	13,632,142

5. Other operating income

	2017 £	2016 £
Rents receivable	**31,906**	28,208
	31,906	28,208

6. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	**106,627**	124,426
Amortisation of intangible assets, including goodwill	**90,525**	90,628
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	**8,910**	8,650
Exchange differences	**(28,693)**	(32,820)
Other operating lease rentals	**110,000**	110,000
Defined contribution pension cost	**20,599**	27,944

7. Employees

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

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Wages and salaries	**930,715**	972,997	**-**	-
Social security costs	**89,923**	92,047	**-**	-
Cost of defined contribution scheme	**20,599**	27,944	**-**	-
	1,041,237	1,092,988	**-**	-

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

	2017 No.	2016 No.
Sales and distribution	**30**	30
Administration	**9**	10
	39	40

8. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	**74,988**	103,628
Company contributions to defined contribution pension schemes	**84**	83
	75,072	103,711

During the year retirement benefits were accruing to 1 director (2016 - 1) in respect of defined contribution pension schemes.

9. Interest receivable

	2017 £	2016 £
Other interest receivable	**239**	1,714
	239	1,714

10. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	**258**	517
Other loan interest payable	**84,500**	92,103
	84,758	92,620

11. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	**379,434**	377,172
Adjustments in respect of previous periods	**-**	(1,336)
Total current tax	**379,434**	375,836
Deferred tax		
Origination and reversal of timing differences	**(6,134)**	(1,595)
Changes to tax rates	**-**	(1,031)
Total deferred tax	**(6,134)**	(2,626)
Taxation on profit on ordinary activities	**373,300**	373,210

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	**1,802,338**	1,741,576
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	**346,950**	348,315
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**16,823**	17,479
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**8,641**	8,199
Capital allowances for year in excess of depreciation	**9,737**	-
Adjustments to tax charge in respect of prior periods	**-**	(1,336)
Other timing differences	**(8,851)**	553
Total tax charge for the year	**373,300**	373,210

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

12. Dividends

	2017 £	2016 £
Ordinary		
A Ordinary		
Dividends £0.80 per share (2016 - £Nil)	**7,000**	-
B Ordinary		
Dividends £315.49 per share (2016 - £1,324 per share)	**394,363**	1,655,250
C Ordinary		
Dividends £107.20 per share (2016 - £1,120 per share)	**134,000**	1,400,000
D Ordinary		
Dividends £5.60 per share (2016 - £Nil)	**7,000**	-
E Ordinary		
Dividends £29,000 per share (2016 - £Nil)	**29,000**	-
F Ordinary		
Dividends £29,000 per share (2016 - £Nil)	**29,000**	-
G Ordinary		
Dividends £29,000 per share (2016 - £Nil)	**29,000**	-
	629,363	3,055,250

13. 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 Profit and loss account in these financial statements. The profit after tax of the parent Company for the year was £629,363 (2016 - £3,055,250).

14. Intangible assets

Group and Company

	Computer software £	Goodwill £	Total £
Cost			
At 1 January 2017	**103,317**	**1,747,858**	**1,851,175**
Additions	**831**	**-**	**831**
At 31 December 2017	**104,148**	**1,747,858**	**1,852,006**
Amortisation			
At 1 January 2017	**92,641**	**764,688**	**857,329**
Charge for the year	**3,132**	**87,393**	**90,525**
At 31 December 2017	**95,773**	**852,081**	**947,854**
Net book value			
At 31 December 2017	**8,375**	**895,777**	**904,152**
At 31 December 2016	10,676	983,170	993,846

15. Tangible fixed assets

Group

	Freehold property £	Land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost or valuation							
At 1 January 2017	**955,475**	**9,860**	**82,640**	**508,722**	**180,687**	**106,417**	**1,843,801**
Additions	**-**	**-**	**8,265**	**170,469**	**4,846**	**2,049**	**185,629**
Disposals	**-**	**-**	**-**	**(226,110)**	**-**	**-**	**(226,110)**
At 31 December 2017	**955,475**	**9,860**	**90,905**	**453,081**	**185,533**	**108,466**	**1,803,320**
Depreciation							
At 1 January 2017	**-**	**94,809**	**52,510**	**302,903**	**97,108**	**81,436**	**628,766**
Charge for the year on owned assets	**11,609**	**-**	**5,668**	**60,170**	**18,000**	**11,180**	**106,627**
Disposals	**-**	**-**	**-**	**(103,288)**	**-**	**-**	**(103,288)**
At 31 December 2017	**11,609**	**94,809**	**58,178**	**259,785**	**115,108**	**92,616**	**632,105**
Net book value							
At 31 December 2017	**943,866**	**(84,949)**	**32,727**	**193,296**	**70,425**	**15,850**	**1,171,215**
At 31 December 2016	955,475	(84,949)	30,130	205,819	83,579	24,981	1,215,035

16. Fixed asset investments

Subsidiary undertakings

The following was asubsidiary undertaking of the Company:

Name	Class of shares	Holding	Principal activity
Weller Packaging Limited	Ordinary	100 %	The sale of paper, polythene and associated packaging products.

The aggregate of the share capital and reserves as at 31 December 2017 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Weller Packaging Limited	**4,024,202**	**1,511,040**

Company

	Investments in subsidiary undertaking £
Cost	
At 1 January 2017	**12,501**
At 31 December 2017	**12,501**
Net book value	
At 31 December 2017	**12,501**
At 31 December 2016	12,501

17. Stocks

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Finished goods and goods for resale	**3,419,771**	3,177,076	-	-
	3,419,771	3,177,076	-	-

The difference between purchase price or production cost of stocks and their replacement cost is not material.

18. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	**2,595,870**	2,574,249	-	-
Other debtors	-	-	**1**	1
Prepayments and accrued income	**219,740**	157,741	-	-
	2,815,610	2,731,990	**1**	1

19. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	**137,444**	845,062	-	-
	137,444	845,062	-	-

20. Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Bank loans	**80,000**	80,000	-	-
Other loans	**1,146,799**	2,208,282	-	-
Trade creditors	**851,432**	825,658	-	-
Corporation tax	**189,434**	377,172	-	-
Other taxation and social security	**262,959**	209,367	-	-
Other creditors	**1,339**	1,342	-	-
Accruals and deferred income	**341,059**	399,559	-	-
	2,873,022	4,101,380	-	-

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

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Bank loans	**640,000**	720,000	-	-
	640,000	720,000	-	-

Secured loans

The bank loan has been secured over the land to which it relates and its associated assets. Further security has been taken in the form of a debenture over Weller Packaging Limited's whole assets and undertaking and a guarantee by P Weller, limited to £300.000 plus interest and costs.

22. Loans

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Amounts falling due within one year				
Bank loans	**80,000**	80,000	-	-
Other loans	**1,146,799**	2,208,282	-	-
	1,226,799	2,288,282	-	-
Amounts falling due 1-2 years				
Bank loans	**80,000**	80,000	-	-
	80,000	80,000	-	-
Amounts falling due 2-5 years				
Bank loans	**560,000**	640,000	-	-
	560,000	640,000	-	-
	1,866,799	3,008,282	-	-

23. Financial instruments

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Financial assets				
Financial assets measured at undiscounted amounts receivable	**3,419,312**	2,574,249	**1**	1
	3,419,312	2,574,249	**1**	1
Financial liabilities				
Financial liabilities measured at undiscounted amounts payable	**(2,853,659)**	(4,234,841)	**-**	-
	(2,853,659)	(4,234,841)	**-**	-

Financial assets measured at undiscounted amounts receivable comprise cash at bank and trade debtors.

Financial liabilities measured at undiscounted amounts payable comprise bank loans, other loans, trade creditors, other creditors and accruals and deferred income.

24. Deferred taxation

Group

	2017 £
At beginning of year	**(15,934)**
Charged to the profit or loss	**6,134**
At end of year	**(9,800)**

At end of year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Accelerated capital allowances	**(9,800)**	(16,032)	**-**	-
Tax losses carried forward	**-**	98	**-**	-
	(9,800)	(15,934)	**-**	-

25. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
8,749 (2016 - 8,752) A Ordinary shares of £1 each	**8,749**	8,752
1,250 B Ordinary shares of £1 each	**1,250**	1,250
1,250 C Ordinary shares of £1 each	**1,250**	1,250
1,250 D Ordinary shares of £1 each	**1,250**	1,250
1 E Ordinary share of £1	**1**	-
1 F Ordinary share of £1	**1**	-
1 G Ordinary share of £1	**1**	-
	12,502	12,502

On the 5 April 2017, 3 A Ordinary shares were redesignated as 1 E Ordinary share, 1 F Ordinary share and 1 G Ordinary share.

26. Pension commitments

Contributions paid by the Group for the year were £20,599 (2016 - £27,944). Contributions outstanding as at 31 December 2017 were £1,339 (2016 - £1,342).

27. Commitments under operating leases

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

	Group 2017 £	Group 2016 £
Not later than 1 year	**36,667**	36,667
	36,667	36,667

28. Related party transactions

During the year the Group received a loan from P Weller, a director of the Group, of £13,831 (2016 - Company received a net total of £83,882) and made a repayment of £36,120 (2016 - £10,000). The total of £235,949 (2016 - £258,237) was outstanding as at 31 December 2017 and is included within other loans. Interest payable on the loan for the year totaled £9,342 (2016 - £8,091) and is included within creditors.

The Group received a loan from S Weller, a director of the Group, of £467,796 (2016 - £1,655,250) and made a repayment of £1,528,795 (2016 - £428,325). The total of £282,959 (2016 - £1,343,958) was outstanding as at 31 December 2017 and is included within other loans. Interest payable on the loan for the year totaled £24,428 (2016 - £42,965) and is included within creditors.

During the year Weller Packaging Limited also entered into transactions with close family members of the directors. The transactions entered into and the amounts involved are given below:

- The Group made purchases in respect of cleaning services and insurance totalling £4,808 (2016 - £5,644) from Worthminster Limited, a company jointly owned by P Weller, who is a director of the Group. Included within creditors are net amounts due to Worthminster Limited of £4,808 (2016 - £4,623).

- The Group received a further loan from J Weller, wife of P Weller, who is a director of the Group for £14,285 (2016 - £64,497) and made a repayment of £5,000 (2016 - £11,989). The total of £265,372 (2016 - £256,087) is outstanding in full and is included within other loans. Interest payable on the loan for the year totaled £10,426 (2016 - £8,619) and is included within accruals.

- The Group received a loan from M J Weller, a brother of S Weller, who is a director of the Group for £180,134 (2016 - £1,400,000) and made a repayment of £167,614 (2016 - £1,200,000). The total of £362,519 (2016 - £350,000) is outstanding in full and is included within other loans. Interest payable on the loan for the year totalled £17,366 (2016 - £34,215) and is included within accruals.

- The Group paid rent to PALYJA LLP, a Limited Liability Partnership under the joint ownership of P Weller, L Cluer and J Weller totalling £110,000 (2016 - £110,000).

During the year, the key management personnel of the Group received total compensation of £75,072 (2016 - £103,711).

29. Controlling party

The ultimate controlling party is The Weller Family Settlement 1999 by virtue of its majority shareholding in Weller Holdings Limited.