REGISTRAR

Registered number: 08098331

LEATHER WORKING GROUP LIMITED

(A company limited by guarantee)

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

WEDNESDAY



A6GDDVAX

A21 04/10/2017 #120

COMPANIES HOUSE

LEATHER WORKING GROUP LIMITED
(A company limited by guarantee)
REGISTERED NUMBER:08098331

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2017 £	2016 £	2016 £
Current assets					
Debtors: amounts falling due within one year	4	**336,329**		163,642	
Cash at bank and in hand	5	**330,354**		204,323	
		666,683		367,965	
Creditors: amounts falling due within one year	6	**(515,884)**		(308,530)	
Net current assets			**150,799**		59,435
Total assets less current liabilities			**150,799**		59,435
Net assets			**150,799**		59,435
Capital and reserves					
Retained earnings			**150,799**		59,435
			150,799		59,435

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 July 2017.

S Swenson on behalf of Leather Working Group Limited
Director

The notes on pages 2 to 7 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Leather Working Group Limited is a private company limited by guarantee, domiciled in England and Wales, registered number 08098331. The registered office and principal place of business is The Pinnacle 170 Midsummer Boulevard, Milton Keynes, MK9 1FE, United Kingdom.

The principal activity of the company is to develop and maintain a protocol that assesses the environmental compliance and performance capabilities of tanners and promotes sustainable and appropriate environmental business practices within the leather industry.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

2.2 Revenue

revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Membership income and revenue from a contract to provide services are recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 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.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. Accounting policies (continued)

2.5 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.

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 debtors and creditors, 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of income and retained earnings if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

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

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

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

2.6 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.

SS

2. Accounting policies (continued)

2.7 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 Statement of income and retained earnings 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 Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2016 - 8).

4. Debtors

	2017	2016
	£	£
Trade debtors	**331,988**	150,835
Other debtors	**63**	2,006
Prepayments and accrued income	**4,278**	10,801
	336,329	163,642

55

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

5. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	**330,354**	204,323
	330,354	204,323

6. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	**11,639**	102
Accruals and deferred income	**504,245**	308,428
	515,884	308,530

7. Financial instruments

All debtors and creditors are basic financial instruments and are held at amortised cost.

8. Reserves

Profit and loss account

The profit and loss account reserve includes all current and prior period retained profits and losses.

9. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

10. Related party transactions

Adidas Ag is a director of Leather Working Group Limited. During the year the company invoiced Adidas Ag for services amounting to £18,322 (2016 - £10,634). At the balance sheet date £13,359 (2016 - £10,634) was due to the company.

Asiatan is a director of Leather Working Group Limited. During the year the company invoiced Asiatan for services amounting to £384 (2016 - £nil). At the balance sheet date £nil was due to the company (2016 - £nil).

Buckman International is a director of Leather Working Group Limited. During the year the company invoiced Buckman International for services amounting to £2,263 (2016 - £1,884). At the balance sheet date £78 (2016 - £1,620) was due to the company.

C & J Clark International Ltd is a director of Leather Working Group Limited. During the year the company invoiced C & J Clark International Ltd for services amounting to £15,149 (2016 - £132). At the balance sheet date £7,110 (2016 - £nil) was due to the company.

Timberland LLC is a director of Leather Working Group Limited. During the year the company invoiced Timberland LLC for services amounting to £8,565 (2016 - £4,487). At the balance sheet date £5,859 (2016 - £4,423) was due to the company.

Heshan Tantec Leather Co Ltd is a director of Leather Working Group Limited. During the year the company invoiced Heshan Tantec Leather Co Ltd for services amounting to £78 (2016 - £68). At the balance sheet date £78 was due to the company (2016 - £68).

PrimeAsia Leather Corporation is a director of Leather Working Group Limited. During the year the company invoiced PrimeAsia Leather Corporation for services amounting to £153 (2016 - £196). At the balance sheet date £nil (2016 - £nil) was due to the company.

JBS S/A is a director of Leather Working Group Limited. During the year the company invoiced JBS S/A for services amounting to £230 (2016 - £199). At the balance sheet date £nil (2016 - £136) was due to the company.

LVMH is a director of Leather Working Group Limited. During the year the company invoiced LVMH for services amounting to £18,472. At the balance sheet date £78 was due to the company.

Sadesa SA is a director of Leather Working Group Limired. During the year the company invoiced Sadesa SA for services amounting to £153. At the balance sheet date £78 was due to the company.

Stahl Holdings BV is a director of Leather Working Group Limited. During the year the company invoiced Stahl Holdings BV for services amounting to £2,260. At the balance sheet date £2,109 was due to the company.

Tyson Fresh Meats Hides & Tannery is a director of Leather Working Group Limited. During the year the company invoiced Tyson Fresh Meats Hides & Tannery for services amounting to £383 (2016 - £271). At the balance sheet date £148 (2016 - £68) was due to the company.

Wolverine World Wide Inc is a director of Leather Working Group Limited. During the year the company invoiced Wolverine World Wide Inc for services amounting to £8,664 (2016 - £271). At the balance sheet date £5,859 (2016 - £131) was due to the company.

11. First time adoption of FRS 102

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