

POTS&CO LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017



POTS&CO LIMITED

COMPANY INFORMATION

Directors	J R Dyer S N Champ
Company secretary	S Dyer
Registered number	8106984
Registered office	Units 3 & 7 Dan House 307 Elveden Road Park Royal London NW10 7ST
Accountants	Warrener Stewart Chartered Accountants Harwood House 43 Harwood Road London SW6 4QP

POTS&CO LIMITED

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POTS&CO LIMITED

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.

Directors

The directors who served during the year were:

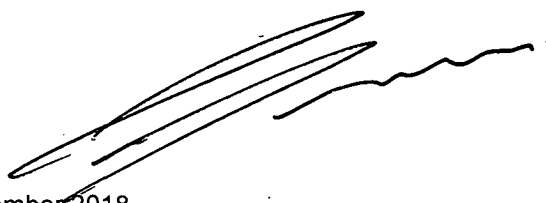
J R Dyer
S N Champ

Small companies note

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 and signed on its behalf.

J R Dyer
Director

A handwritten signature in black ink, consisting of several overlapping loops and a trailing line, positioned to the right of the name J R Dyer.

Date: 12 September 2018

POTS&CO LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF POTS&CO LIMITED FOR THE YEAR ENDED 31 DECEMBER 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Pots&Co Limited for the year ended 31 December 2017 which comprise the Group Profit and Loss Account, the Group and Company Balance Sheets and the related notes from the Group accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of Pots&Co Limited, as a body, in accordance with the terms of our engagement letter dated 30 April 2013. Our work has been undertaken solely to prepare for your approval the financial statements of Pots&Co Limited and state those matters that we have agreed to state to the Board of Directors of Pots&Co Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Pots&Co Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Pots&Co Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of Pots&Co Limited. You consider that Pots&Co Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of Pots&Co Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Warrenner Stewart

Chartered Accountants

Harwood House
43 Harwood Road
London
SW6 4QP

12 September 2018

POTS&CO LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Turnover	9,770,503	5,781,165
Cost of sales	(6,165,788)	(4,326,338)
Gross profit	3,604,715	1,454,827
Distribution costs	(1,703,780)	(320,179)
Administrative expenses	(1,847,442)	(1,090,010)
Operating profit	53,493	44,638
Interest payable and expenses	(47,153)	(56,525)
Profit/(loss) before taxation	6,340	(11,887)
Tax on profit/(loss)	4 9,542	20,799
Profit for the financial year	15,882	8,912
Profit for the year attributable to:		
Owners of the parent Company	15,882	8,912

There was no other comprehensive income for 2017 (2016:£NIL).

POTS&CO LIMITED
REGISTERED NUMBER:8106984

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets			14,618		-
Tangible assets	6		1,296,008		1,091,924
Fixed asset investments			-		1,000
			<u>1,310,626</u>		<u>1,092,924</u>
Current assets					
Stocks	8	1,218,929		320,911	
Debtors: amounts falling due within one year	9	3,279,589		1,296,829	
Cash at bank and in hand		541,448		26,324	
		<u>5,039,966</u>		<u>1,644,064</u>	
Creditors: amounts falling due within one year	10	(3,536,783)		(1,595,752)	
Net current assets			<u>1,503,183</u>		<u>48,312</u>
Total assets less current liabilities			<u>2,813,809</u>		<u>1,141,236</u>
Creditors: amounts falling due after more than one year	11		(272,389)		(493,727)
Net assets			<u><u>2,541,420</u></u>		<u><u>647,509</u></u>
Capital and reserves					
Called up share capital	14		5,929		5,605
Share premium account			2,715,941		838,236
Profit and loss account			(180,450)		(196,332)
			<u><u>2,541,420</u></u>		<u><u>647,509</u></u>

POTS&CO LIMITED
REGISTERED NUMBER:8106984

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2017

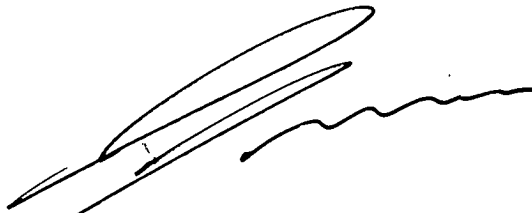
The directors consider that the Group is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Group to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

J R Dyer
Director

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end.

Date: 12 September 2018

POTS&CO LIMITED
REGISTERED NUMBER:8106984

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets			14,618		-
Tangible assets	6		1,296,008		1,091,924
Investments	7		1,000		1,000
			<u>1,311,626</u>		<u>1,092,924</u>
Current assets					
Stocks	8	643,763		320,911	
Debtors: amounts falling due within one year	9	3,464,570		1,217,717	
Cash at bank and in hand		493,312		26,324	
		<u>4,601,645</u>		<u>1,564,952</u>	
Creditors: amounts falling due within one year	10	(3,155,007)		(1,590,870)	
Net current assets/(liabilities)			<u>1,446,638</u>		<u>(25,918)</u>
Total assets less current liabilities			<u>2,758,264</u>		<u>1,067,006</u>
Creditors: amounts falling due after more than one year	11		(272,389)		(493,727)
Net assets			<u>2,485,875</u>		<u>573,279</u>
Capital and reserves					
Called up share capital	14		5,929		5,605
Share premium account			2,715,941		838,236
Profit and loss account brought forward		(270,561)		(205,244)	
Profit/(loss) for the year		34,566		(65,318)	
		<u>34,566</u>		<u>(65,318)</u>	
Profit and loss account carried forward			<u>(235,995)</u>		<u>(270,562)</u>
			<u>2,485,875</u>		<u>573,279</u>

POTS&CO LIMITED
REGISTERED NUMBER:8106984

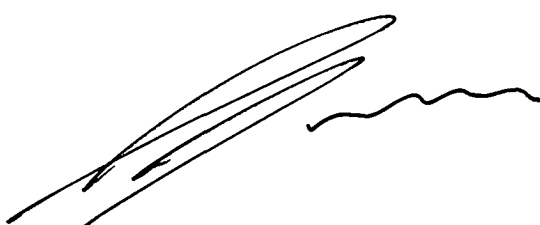
COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2017

The directors consider that the Group is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 and members have not required the Group 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 Group's financial statements have been prepared in accordance with the 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 by:


J R Dyer
Director

Date: 12 September 2018

POTS&CO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2016	5,295	615,549	(205,244)	415,600
Comprehensive income for the year				
Profit for the year	-	-	8,912	8,912
Contributions by and distributions to owners				
Shares issued during the year	310	222,687	-	222,997
At 1 January 2017	5,605	838,236	(196,332)	647,509
Comprehensive income for the year				
Profit for the year	-	-	15,882	15,882
Contributions by and distributions to owners				
Shares issued during the year	324	1,877,705	-	1,878,029
At 31 December 2017	5,929	2,715,941	(180,450)	2,541,420

POTS&CO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2016	5,295	615,549	(205,244)	415,600
Comprehensive income for the year				
Loss for the year	-	-	(65,317)	(65,317)
Contributions by and distributions to owners				
Shares issued during the year	310	222,687	-	222,997
At 1 January 2017	5,605	838,236	(270,561)	573,280
Comprehensive income for the year				
Profit for the year	-	-	34,567	34,567
Contributions by and distributions to owners				
Shares issued during the year	324	1,877,705	-	1,878,029
At 31 December 2017	5,929	2,715,941	(235,994)	2,485,876

POTS&CO LIMITED

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

1. General information

Pots&Co Limited is incorporated and domiciled in England and Wales. The registered office is Units 3 & 7, Dan House, 307 Elveden Road, Park Royal, London, NW10 7ST.

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 Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

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 Statement of Comprehensive Income 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 2016.

2.3 Revenue

Turnover 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. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 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.

POTS&CO LIMITED

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

2. Accounting policies (continued)

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, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	- 20% on reducing balance
Office equipment	- 20% on cost

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 Statement of Comprehensive Income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 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. Work in progress and finished goods include labour and attributable overheads.

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.

POTS&CO LIMITED

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

2. Accounting policies (continued)

2.9 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.10 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 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 Statement of Comprehensive Income 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 Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

2.12 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income 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.

POTS&CO LIMITED

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

2. Accounting policies (continued)

2.13 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 Statement of Comprehensive Income 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.

2.14 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

2.15 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 Statement of Comprehensive Income 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.

POTS&CO LIMITED

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 Consolidated Statement of Comprehensive Income, 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. Employees

The average monthly number of employees, including directors, during the year was 45 (2016 - 31).

POTS&CO LIMITED

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

4. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	19,553	-
Adjustments in respect of previous periods	(20,767)	(24,912)
Total current tax	<u>(1,214)</u>	<u>(24,912)</u>
Deferred tax		
Origination and reversal of timing differences	(1,302)	1,826
Trading losses carried forward	(7,026)	2,287
Total deferred tax	<u>(8,328)</u>	<u>4,113</u>
Taxation on loss on ordinary activities	<u>(9,542)</u>	<u>(20,799)</u>

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19.25% (2016 - 20 %).

POTS&CO LIMITED

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

5. Intangible assets

Group and Company

	Trademarks £
Cost	
Additions - internal	15,759
At 31 December 2017	<u>15,759</u>
Amortisation	
Charge for the year	1,141
At 31 December 2017	<u>1,141</u>
Net book value	
At 31 December 2017	<u><u>14,618</u></u>
At 31 December 2016	<u><u>-</u></u>

POTS&CO LIMITED

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

6. Tangible fixed assets

Group and Company

	Plant and machinery £	Office equipment £	Total £
Cost or valuation			
At 1 January 2017	1,388,384	18,265	1,406,649
Additions	536,223	7,248	543,471
At 31 December 2017	1,924,607	25,513	1,950,120
Depreciation			
At 1 January 2017	309,119	5,606	314,725
Charge for the year on owned assets	334,738	4,649	339,387
At 31 December 2017	643,857	10,255	654,112
Net book value			
At 31 December 2017	1,280,750	15,258	1,296,008
At 31 December 2016	1,079,265	12,659	1,091,924

POTS&CO LIMITED

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

7. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Love Something Limited	England & Wales	Ordinary	100 %	Food production
Pots & Co Corporation	United States	Ordinary	100 %	Food production

	Aggregate of share capital and reserves £	Profit/(loss) £
Love Something Limited	19,837	18,837
Pots & Co Corporation	36,708	36,708

Company

Investments in subsidiary companies £

Cost or valuation

At 1 January 2017	1,000
At 31 December 2017	1,000

Net book value

At 31 December 2017	1,000
At 31 December 2016	1,000

POTS&CO LIMITED

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

8. Stocks

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Raw materials and consumables	630,855	292,786	630,855	292,786
Finished goods and goods for resale	588,074	28,125	12,908	28,125
	1,218,929	320,911	643,763	320,911

9. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	1,832,220	1,067,256	1,843,654	974,603
Amounts owed by group undertakings	-	-	221,976	-
Other debtors	1,029,104	93,659	1,020,675	91,996
Prepayments and accrued income	387,410	113,387	347,410	113,387
Deferred taxation	30,855	22,527	30,855	37,731
	3,279,589	1,296,829	3,464,570	1,217,717

10. Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Bank overdrafts	186,627	-	-	-
Bank loans	269,066	-	269,066	-
Trade creditors	1,622,903	1,058,810	1,622,903	1,053,928
Amounts owed to group undertakings	-	1,000	-	1,000
Corporation tax	19,553	-	-	-
Other taxation and social security	67,588	74,178	67,588	74,178
Obligations under finance lease and hire purchase contracts	88,424	11,845	88,424	11,845
Proceeds of factored debts	678,297	437,425	678,297	437,425
Other creditors	416,730	-	416,729	-
Accruals and deferred income	187,595	12,494	12,000	12,494
	3,536,783	1,595,752	3,155,007	1,590,870

POTS&CO LIMITED

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

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

	Group 2017 £	<i>Group 2016 £</i>	Company 2017 £	<i>Company 2016 £</i>
Other loans	-	442,803	-	442,803
Net obligations under finance leases and hire purchase contracts	272,389	50,924	272,389	50,924
	272,389	493,727	272,389	493,727

Secured loans

The bank loans are secured by way of fixed and floating charges over all property and assets of the company.

Other loans represent loans advanced by shareholders which are not repayable until the company has sufficient capital resources. Interest is charged at variable commercial rates and rolled up with the loan principal resulting in the total balance repayable above.

12. Loans

Analysis of the maturity of loans is given below:

	Group 2017 £	<i>Group 2016 £</i>	Company 2017 £	<i>Company 2016 £</i>
Amounts falling due within one year				
Bank loans	269,066	-	269,066	-
Amounts falling due 2-5 years				
Other loans	-	442,803	-	442,803
	269,066	442,803	269,066	442,803

POTS&CO LIMITED

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

13. Deferred taxation

Group

	2017 £
At beginning of year	22,527
Charged to the profit or loss	8,328
At end of year	30,855

Company

	2017 £
At beginning of year	37,731
Charged to profit or loss	(6,876)
At end of year	30,855

The deferred tax asset is made up as follows:

	Group 2017 £	<i>Group 2016 £</i>	Company 2017 £	<i>Company 2016 £</i>
Fixed asset timing differences	(86,023)	(93,940)	(86,023)	(93,940)
Short term timing differences	2,901	9,516	2,901	9,516
Losses and other deductions	113,977	106,951	120,853	122,155
	30,855	22,527	37,731	37,731

POTS&CO LIMITED

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

14. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
592,899 (2016 - 560,488) Ordinary shares of £0.01 each	5,929	5,605
5 A Ordinary shares of £0.001 each	-	-
	<u>5,929</u>	<u>5,605</u>

On 19 February 2017 5,658 ordinary shares of £0.01p each were issued for total consideration of £250,000.

On 24 April 2017 431 ordinary shares of £0.01p each were issued for total consideration of £20,000.

On 21 December 2017 26,322 ordinary shares of £0.01p each were issued for total consideration of £1,612,486.

15. Capital commitments

As at 31 December 2017 the company had capital commitments in respect of production machinery of £Nil (2016: £430,618) which were contracted for but not provided within these accounts.

16. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,215 (2016 - £nil). Contributions totalling £2,055 (2016 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

17. 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 £	Company 2017 £	Company 2016 £
Later than 1 year and not later than 5 years	584,140	234,350	584,140	234,350
Later than 5 years	-	456,750	-	456,750
	<u>584,140</u>	<u>456,750</u>	<u>584,140</u>	<u>456,750</u>