

Company Registration No. 00956066 (England and Wales)

**ELIAS ENTERPRISES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

# ELIAS ENTERPRISES LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	S E Elias E C Elias D Teasdale
<b>Company number</b>	00956066
<b>Registered office</b>	2nd Floor 1 Ashley Road Altrincham WA14 2DT
<b>Auditor</b>	Lopian Gross Barnett & Co 1st Floor, Cloister House Riverside New Bailey Street Manchester M3 5FS
<b>Bankers</b>	HSBC Bank plc PO Box 360 100 King Street Manchester M60 2HD

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# ELIAS ENTERPRISES LIMITED

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# **ELIAS ENTERPRISES LIMITED**

## **GROUP STRATEGIC REPORT**

***FOR THE YEAR ENDED 30 JUNE 2018***

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The directors present the strategic report for the year ended 30 June 2018.

### **Fair review of the business and risks**

Turnover has decreased reflecting the continued fall in the selling prices of the company's main product lines. Distribution and administrative costs have increased to reflect the increased volumes of goods handled and delivered. The group's manufacturing business continues to perform satisfactorily.

The principal risks of the business are the continued volatility of GBP in relation to USD (which is the currency in which the majority of the company's goods are sourced) and the volatility of oil based raw materials which are used to manufacture the company's main product lines. The company's profitability during the year suffered as a result of the reduced margins from the precipitous fall in the GBP against the US dollar following the Brexit vote. In common with other trading and importing businesses the final impact of Brexit on the company's business is unknown and will remain so for some time to come.

The Board is responsible for the company's system of internal control and risk management, and for reviewing its effectiveness. In discharging and delegating that responsibility, the Board has regard to the balance of risk, cost and opportunity.

In terms of monitoring risk the company continues to monitor sales and margins on a weekly basis and these are reviewed and any necessary action taken. An important part of these reviews also includes overhead expense analysis to ensure maximum efficiency.

The Company continues to enjoy excellent relationships with its finance providers and during difficult economic conditions maintains credit lines and works closely with providers to ensure on-going support.

On behalf of the board

S E Elias

**Director**

25 April 2019

# **ELIAS ENTERPRISES LIMITED**

## **GROUP DIRECTORS' REPORT**

***FOR THE YEAR ENDED 30 JUNE 2018***

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The directors present their annual report and financial statements for the year ended 30 June 2018.

### **Principal activities**

The principal activities of the company and the group are the manufacturing, merchandising, converting and warehousing of textiles, including import and export of the same.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S E Elias  
E C Elias  
D Teasdale

### **Results and dividends**

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Lopian Gross Barnett & Co be reappointed as auditor of the group will be put at a General Meeting.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

S E Elias  
**Director**  
25 April 2019

## **ELIAS ENTERPRISES LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 30 JUNE 2018***

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# ELIAS ENTERPRISES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ELIAS ENTERPRISES LIMITED

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#### Opinion

We have audited the financial statements of Elias Enterprises Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2018 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2018 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

- the 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# **ELIAS ENTERPRISES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF ELIAS ENTERPRISES LIMITED**

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### **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 strategic report and the directors' report.

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

- adequate accounting records have not been kept 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, 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.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

**Jason Selig BA ACA CTA DChA (Senior Statutory Auditor)**  
**for and on behalf of Lopian Gross Barnett & Co**  
**Chartered Accountants**  
**Statutory Auditor**

2 May 2019

1st Floor, Cloister House  
Riverside  
New Bailey Street  
Manchester  
M3 5FS

## ELIAS ENTERPRISES LIMITED

### GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
Turnover	3	20,447,395	22,357,874
Cost of sales		(18,595,693)	(21,082,623)
<b>Gross profit</b>		<b>1,851,702</b>	<b>1,275,251</b>
Distribution costs		(226,925)	(144,561)
Administrative expenses		(1,339,364)	(989,833)
<b>Operating profit</b>	<b>4</b>	<b>285,413</b>	<b>140,857</b>
Interest receivable and similar income	8	44,391	23,802
Interest payable and similar expenses	9	(18,786)	(6,647)
<b>Profit before taxation</b>		<b>311,018</b>	<b>158,012</b>
Tax on profit	10	(59,333)	(30,994)
<b>Profit for the financial year</b>		<b>251,685</b>	<b>127,018</b>

Profit for the financial year is all attributable to the owners of the parent company.

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

## **ELIAS ENTERPRISES LIMITED**

### **GROUP STATEMENT OF COMPREHENSIVE INCOME**

***FOR THE YEAR ENDED 30 JUNE 2018***

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	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	251,685	127,018
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<u>251,685</u>	<u>127,018</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

# ELIAS ENTERPRISES LIMITED

## GROUP BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	11		439,257		134,168
<b>Current assets</b>					
Stocks	15	6,704,092		7,306,048	
Debtors	16	4,669,885		4,925,630	
Cash at bank and in hand		434,162		26,157	
		<u>11,808,139</u>		<u>12,257,835</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(2,827,949)</u>		<u>(3,265,024)</u>	
<b>Net current assets</b>			8,980,190		8,992,811
<b>Total assets less current liabilities</b>			<u>9,419,447</u>		<u>9,126,979</u>
<b>Provisions for liabilities</b>	19		<u>(56,509)</u>		<u>(15,726)</u>
<b>Net assets</b>			<u><u>9,362,938</u></u>		<u><u>9,111,253</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		1,262		1,262
Share premium account			619,436		619,436
Capital redemption reserve			400		400
Profit and loss reserves			<u>8,741,840</u>		<u>8,490,155</u>
<b>Total equity</b>			<u><u>9,362,938</u></u>		<u><u>9,111,253</u></u>

The financial statements were approved by the board of directors and authorised for issue on 25 April 2019 and are signed on its behalf by:

S E Elias  
Director

# ELIAS ENTERPRISES LIMITED

## COMPANY BALANCE SHEET

AS AT 30 JUNE 2018

		2018		2017	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		38,006		42,910
Investments	12		216,000		216,000
			<u>254,006</u>		<u>258,910</u>
<b>Current assets</b>					
Stocks	15	6,443,277		7,037,756	
Debtors falling due after more than one year					
	16	13,656		13,656	
Debtors falling due within one year	16	4,367,644		4,666,479	
Cash at bank and in hand		423,008		9,492	
		<u>11,247,585</u>		<u>11,727,383</u>	
<b>Creditors: amounts falling due within one year</b>	17	(2,891,963)		(3,614,186)	
<b>Net current assets</b>			<u>8,355,622</u>		<u>8,113,197</u>
<b>Total assets less current liabilities</b>			<u>8,609,628</u>		<u>8,372,107</u>
<b>Provisions for liabilities</b>	19		(957)		(1,613)
<b>Net assets</b>			<u><u>8,608,671</u></u>		<u><u>8,370,494</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		1,262		1,262
Share premium account			619,436		619,436
Capital redemption reserve			400		400
Profit and loss reserves			<u>7,987,573</u>		<u>7,749,396</u>
<b>Total equity</b>			<u><u>8,608,671</u></u>		<u><u>8,370,494</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £238,177 (2017 - £25,882 profit).

The financial statements were approved by the board of directors and authorised for issue on 25 April 2019 and are signed on its behalf by:

S E Elias  
Director

Company Registration No. 00956066

# ELIAS ENTERPRISES LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£	£
<b>Balance at 1 July 2016</b>	1,262	619,436	400	8,363,137	8,984,235
<b>Year ended 30 June 2017:</b>					
Profit and total comprehensive income for the year	-	-	-	127,018	127,018
<b>Balance at 30 June 2017</b>	1,262	619,436	400	8,490,155	9,111,253
<b>Year ended 30 June 2018:</b>					
Profit and total comprehensive income for the year	-	-	-	251,685	251,685
<b>Balance at 30 June 2018</b>	1,262	619,436	400	8,741,840	9,362,938

# ELIAS ENTERPRISES LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£	£
<b>Balance at 1 July 2016</b>	1,262	619,436	400	7,723,514	8,344,612
<b>Year ended 30 June 2017:</b>					
Profit and total comprehensive income for the year	-	-	-	25,882	25,882
<b>Balance at 30 June 2017</b>	1,262	619,436	400	7,749,396	8,370,494
<b>Year ended 30 June 2018:</b>					
Profit and total comprehensive income for the year	-	-	-	238,177	238,177
<b>Balance at 30 June 2018</b>	1,262	619,436	400	7,987,573	8,608,671

# ELIAS ENTERPRISES LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

		2018	2017
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from/(absorbed by) operations	26	2,257,890	(3,465,588)
Interest paid		(18,786)	(6,647)
Income taxes paid		(10,678)	(154,580)
<b>Net cash inflow/(outflow) from operating activities</b>		2,228,426	(3,626,815)
<b>Investing activities</b>			
Purchase of tangible fixed assets		(312,993)	(69,750)
Proceeds from other investments and loans		-	1,059,709
Interest received		44,391	23,802
<b>Net cash (used in)/generated from investing activities</b>		(268,602)	1,013,761
<b>Financing activities</b>			
Purchase of derivatives		37,500	-
<b>Net cash generated from/(used in) financing activities</b>		37,500	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		1,997,324	(2,613,054)
Cash and cash equivalents at beginning of year		(1,586,745)	1,026,309
<b>Cash and cash equivalents at end of year</b>		410,579	(1,586,745)
<b>Relating to:</b>			
Cash at bank and in hand		434,162	26,157
Bank overdrafts included in creditors payable within one year		(23,583)	(1,612,902)

# ELIAS ENTERPRISES LIMITED

## COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

		2018		2017	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	27	2,002,740		(3,564,968)	
Interest paid		(18,786)		(6,647)	
Income taxes paid		(38,271)		(122,179)	
<b>Net cash inflow/(outflow) from operating activities</b>		1,945,683		(3,693,794)	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,156)		-	
Proceeds from other investments and loans		-	1,059,709		
Interest received		44,391	23,802		
<b>Net cash generated from investing activities</b>		43,235		1,083,511	
<b>Financing activities</b>					
Purchase of derivatives		37,500	-		
<b>Net cash generated from/(used in) financing activities</b>		37,500		-	
<b>Net increase/(decrease) in cash and cash equivalents</b>		2,026,418		(2,610,283)	
Cash and cash equivalents at beginning of year		(1,603,410)		1,006,873	
<b>Cash and cash equivalents at end of year</b>		423,008		(1,603,410)	
<b>Relating to:</b>					
Cash at bank and in hand		423,008		9,492	
Bank overdrafts included in creditors payable within one year		-		(1,612,902)	

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2018**

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### **1 Accounting policies**

#### **Company information**

Elias Enterprises Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 2nd Floor, 1 Ashley Road, ALTRINCHAM, WA14 2DT.

The group consists of Elias Enterprises Limited and all of its subsidiaries.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### **1.2 Basis of consolidation**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of Elias Enterprises Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 June 2018. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

#### 1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land	Nil
Plant and machinery	25% Reducing balance method
Fixtures, fittings & equipment	25% Reducing balance method
Motor vehicles	25% Reducing balance method

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

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### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

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### 1 Accounting policies

(Continued)

#### 1.9 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

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### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### **1.11 Equity instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### **1.12 Derivatives**

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### **1.13 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

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### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.15 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.16 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### **1.17 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2018 £	2017 £
<b>Turnover analysed by class of business</b>		
Textile sales	19,426,554	21,472,294
Sales of manufactured textiles	1,020,841	885,580
	<u>20,447,395</u>	<u>22,357,874</u>
	2018 £	2017 £
<b>Other significant revenue</b>		
Interest income	44,391	23,802
	<u>44,391</u>	<u>23,802</u>
	2018 £	2017 £
<b>Turnover analysed by geographical market</b>		
United Kingdom and Republic of Ireland	20,447,395	22,357,874
	<u>20,447,395</u>	<u>22,357,874</u>

### 4 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	-	(114,222)
Depreciation of owned tangible fixed assets	7,904	12,861
Cost of stocks recognised as an expense	18,394,770	20,892,025
Operating lease charges	8,435	10,407
	<u>18,411,109</u>	<u>21,001,071</u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £0 (2017 - £114,222).

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 5 Auditor's remuneration

	2018	2017
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	13,000	13,000
Audit of the financial statements of the company's subsidiaries	2,000	2,000
	<u>15,000</u>	<u>15,000</u>

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2018 Number	2017 Number	Company 2018 Number	2017 Number
Sales and distribution staff	2	2	2	2
Administration staff	5	5	3	3
Management staff	3	3	3	3
Production staff	5	4	-	-
	<u>15</u>	<u>14</u>	<u>8</u>	<u>8</u>

Their aggregate remuneration comprised:

	Group 2018 £	2017 £	Company 2018 £	2017 £
Wages and salaries	488,114	436,532	305,537	264,263
Social security costs	50,518	45,152	32,172	26,823
Pension costs	3,854	2,961	2,071	1,382
	<u>542,486</u>	<u>484,645</u>	<u>339,780</u>	<u>292,468</u>

### 7 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	<u>197,987</u>	<u>146,204</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2017 - 2).

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 8 Interest receivable and similar income

	2018	2017
	£	£
<b>Interest income</b>		
Interest on bank deposits	44,391	119
Other interest income	-	23,683
	<u>44,391</u>	<u>23,802</u>
Total income	<u>44,391</u>	<u>23,802</u>

The above shown figure for 2018 was due to a bank refund of interest paid in previous years.

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	44,391	119
	<u>44,391</u>	<u>119</u>

### 9 Interest payable and similar expenses

	2018	2017
	£	£
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	18,786	6,647
	<u>18,786</u>	<u>6,647</u>

### 10 Taxation

	2018	2017
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	18,550	10,678
	<u>18,550</u>	<u>10,678</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	40,783	20,316
	<u>40,783</u>	<u>20,316</u>
Total tax charge	<u>59,333</u>	<u>30,994</u>

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
Profit before taxation	311,018	158,012
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.00%)	59,093	30,022
Tax effect of expenses that are not deductible in determining taxable profit	239	298
Group relief	-	(417)
Permanent capital allowances in excess of depreciation	957	1,598
Other timing differences	(956)	(507)
Tax expense for the year	59,333	30,994

### 11 Tangible fixed assets

Group	Land £	Plant and machinery £	Fixtures, fittings & equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 July 2017	21,100	181,730	78,281	74,123	355,234
Additions	-	295,988	17,005	-	312,993
At 30 June 2018	21,100	477,718	95,286	74,123	668,227
<b>Depreciation and impairment</b>					
At 1 July 2017	-	95,520	70,654	54,892	221,066
Depreciation charged in the year	-	1,844	648	5,412	7,904
At 30 June 2018	-	97,364	71,302	60,304	228,970
<b>Carrying amount</b>					
At 30 June 2018	21,100	380,354	23,984	13,819	439,257
At 30 June 2017	21,100	86,210	7,627	19,231	134,168

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 11 Tangible fixed assets

(Continued)

Company	Land	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 July 2017	21,100	29,365	74,123	124,588
Additions	-	1,156	-	1,156
	<u>21,100</u>	<u>30,521</u>	<u>74,123</u>	<u>125,744</u>
At 30 June 2018	21,100	30,521	74,123	125,744
<b>Depreciation and impairment</b>				
At 1 July 2017	-	26,786	54,892	81,678
Depreciation charged in the year	-	648	5,412	6,060
	<u>-</u>	<u>27,434</u>	<u>60,304</u>	<u>87,738</u>
At 30 June 2018	-	27,434	60,304	87,738
<b>Carrying amount</b>				
At 30 June 2018	21,100	3,087	13,819	38,006
	<u>21,100</u>	<u>3,087</u>	<u>13,819</u>	<u>38,006</u>
At 30 June 2017	21,100	2,579	19,231	42,910
	<u>21,100</u>	<u>2,579</u>	<u>19,231</u>	<u>42,910</u>

### 12 Fixed asset investments

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Investments in subsidiaries	13	-	-	216,000	216,000
		<u>-</u>	<u>-</u>	<u>216,000</u>	<u>216,000</u>

#### Movements in fixed asset investments

Company	Shares in group undertakings
	£
<b>Cost or valuation</b>	
At 1 July 2017 and 30 June 2018	216,000
	<u>216,000</u>
<b>Carrying amount</b>	
At 30 June 2018	216,000
	<u>216,000</u>
At 30 June 2017	216,000
	<u>216,000</u>

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 13 Subsidiaries

Details of the company's subsidiaries at 30 June 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
K Shaw Holdings Limited	England & Wales	General holding company	Ordinary	100.00	
Shaws fabrics Limited	England & Wales	Dormant	Ordinary	100.00	
Stonebridge Non Wovens Limited	England & Wales	Manufacturing and distribution of textiles	Ordinary	100.00	

The registered office for the parent and its subsidiaries is 2nd Floor, 1 Ashley Road, ALTRINCHAM, WA14 2DT.

### 14 Financial instruments

	Group 2018 £	2017 £	Company 2018 £	2017 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	4,297,090	4,664,327	4,054,912	4,432,851
Instruments measured at fair value through profit or loss	-	37,500	-	37,500
	<u>4,297,090</u>	<u>4,701,827</u>	<u>4,054,912</u>	<u>4,470,351</u>
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	2,480,555	2,999,730	2,552,151	3,378,410
	<u>2,480,555</u>	<u>2,999,730</u>	<u>2,552,151</u>	<u>3,378,410</u>

### 15 Stocks

	Group 2018 £	2017 £	Company 2018 £	2017 £
Finished goods and goods for resale	6,704,092	7,306,048	6,443,277	7,037,756
	<u>6,704,092</u>	<u>7,306,048</u>	<u>6,443,277</u>	<u>7,037,756</u>

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 16 Debtors

	Group 2018 £	2017 £	Company 2018 £	2017 £
<b>Amounts falling due within one year:</b>				
Trade debtors	4,236,617	3,664,610	4,054,912	3,471,640
Derivative financial instruments	-	37,500	-	37,500
Other debtors	76,899	999,717	-	961,211
Prepayments and accrued income	342,713	210,147	312,732	196,128
	<u>4,656,229</u>	<u>4,911,974</u>	<u>4,367,644</u>	<u>4,666,479</u>
<b>Amounts falling due after more than one year:</b>				
Deferred tax asset (note 19)	13,656	13,656	13,656	13,656
	<u>13,656</u>	<u>13,656</u>	<u>13,656</u>	<u>13,656</u>
<b>Total debtors</b>	<u>4,669,885</u>	<u>4,925,630</u>	<u>4,381,300</u>	<u>4,680,135</u>

### 17 Creditors: amounts falling due within one year

	Notes	Group 2018 £	2017 £	Company 2018 £	2017 £
Bank loans and overdrafts	18	23,583	1,612,902	-	1,612,902
Trade creditors		1,575,478	318,229	1,497,339	298,066
Amounts owed to group undertakings		-	-	261,039	506,998
Corporation tax payable		18,550	10,678	18,550	-
Other taxation and social security		328,844	254,616	321,262	235,776
Other creditors		-	386,907	-	386,907
Accruals and deferred income		881,494	681,692	793,773	573,537
		<u>2,827,949</u>	<u>3,265,024</u>	<u>2,891,963</u>	<u>3,614,186</u>

### 18 Loans and overdrafts

	Group 2018 £	2017 £	Company 2018 £	2017 £
Bank overdrafts	<u>23,583</u>	<u>1,612,902</u>	<u>-</u>	<u>1,612,902</u>
Payable within one year	<u>23,583</u>	<u>1,612,902</u>	<u>-</u>	<u>1,612,902</u>

The bank overdraft is repayable on demand.

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 19 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances for financial reporting purposes:

	Liabilities 2018 £	Liabilities 2017 £	Assets 2018 £	Assets 2017 £
<b>Group</b>				
Accelerated capital allowances	56,509	15,726	-	-
Other timing differences	-	-	13,656	13,656
	<u>56,509</u>	<u>15,726</u>	<u>13,656</u>	<u>13,656</u>
	<u><u>56,509</u></u>	<u><u>15,726</u></u>	<u><u>13,656</u></u>	<u><u>13,656</u></u>
	Liabilities 2018 £	Liabilities 2017 £	Assets 2018 £	Assets 2017 £
<b>Company</b>				
Accelerated capital allowances	957	1,613	-	-
Other timing differences	-	-	13,656	13,656
	<u>957</u>	<u>1,613</u>	<u>13,656</u>	<u>13,656</u>
	<u><u>957</u></u>	<u><u>1,613</u></u>	<u><u>13,656</u></u>	<u><u>13,656</u></u>
			<b>Group</b> 2018 £	<b>Company</b> 2018 £
<b>Movements in the year:</b>				
Liability/(asset) at 1 July 2017			2,070	(12,043)
Charge/(credit) to profit or loss			40,783	(656)
			<u>42,853</u>	<u>(12,699)</u>
Liability/(asset) at 30 June 2018			<u><u>42,853</u></u>	<u><u>(12,699)</u></u>

### 20 Retirement benefit schemes

	2018 £	2017 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	3,854	2,961
	<u>3,854</u>	<u>2,961</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

# ELIAS ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 21 Share capital

	Group and company	
	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
1,262 Ordinary shares of £1 each	1,262	1,262

### 22 Financial commitments, guarantees and contingent liabilities

As at 30 June 2018 outstanding contingent liabilities under documentary credits and acceptances amounted to £ 866,207 (2017 - £236,206). Terminable Indemnities in existence at the balance sheet date amounted to £160,000 (2017 - £160,000).

### 23 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Within one year	37,696	13,476	27,308	8,328
Between two and five years	67,968	24,113	26,614	15,962
In over five years	20,677	-	-	-
	126,341	37,589	53,922	24,290

### 24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Acquisition of tangible assets	24,269	210,985	-	-

## ELIAS ENTERPRISES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

#### 25 Related party transactions

During the year the company sold goods amounting to £2.05m (2017 - £6.58m) to a company connected to directors EC & SE Elias. At the year end the company owed Elias Enterprises Limited £nil (2017 - £961,211) which is reflected in other debtors.

At the balance sheet date the company was owed £nil (2017 - £400,000) from companies under common control. Interest of £nil (2017 - £nil) was charged on these loans, the loan was repayable on demand.

The company paid Management Charges of £95,000 (2017 - £30,000) to G H Elias Limited, a company in which EC & SE Elias are directors. During the year Stonebridge Non-Wovens Limited, a 100% owned subsidiary was also charged £30,000 (2017 - £30,000) by G H Elias Limited for management services provided.

The company occupies properties in which certain of the directors have an interest, the rental of which was £149,042 during the year (2017 - £114,946).

#### 26 Cash generated from group operations

	2018 £	2017 £
Profit for the year after tax	251,685	127,018
Adjustments for:		
Taxation charged	59,333	30,994
Finance costs	18,786	6,647
Investment income	(44,391)	(23,802)
Depreciation and impairment of tangible fixed assets	7,904	12,861
(Decrease) in provisions	-	(143,500)
Movements in working capital:		
Decrease/(increase) in stocks	601,956	(2,645,296)
Decrease/(increase) in debtors	234,671	(28,045)
Increase/(decrease) in creditors	1,127,946	(802,465)
<b>Cash generated from/(absorbed by) operations</b>	<b>2,257,890</b>	<b>(3,465,588)</b>

## ELIAS ENTERPRISES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

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27 Cash generated from operations - company

	2018 £	2017 £
Profit for the year after tax	238,177	25,882
Adjustments for:		
Taxation charged	56,165	7,202
Finance costs	18,786	6,647
Investment income	(44,391)	(23,802)
Depreciation and impairment of tangible fixed assets	6,060	10,488
(Decrease) in provisions	-	(143,500)
Movements in working capital:		
Decrease/(increase) in stocks	594,479	(2,626,344)
Decrease/(increase) in debtors	261,335	(5,105)
Increase/(decrease) in creditors	872,129	(816,436)
<b>Cash generated from/(absorbed by) operations</b>	<b>2,002,740</b>	<b>(3,564,968)</b>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.