

Registered number

01107789

Northern Floorcraft (Gateshead) Limited

Unaudited Filleted Accounts

29 February 2020

**Northern Floorcraft (Gateshead) Limited****Registered number:** 01107789**Balance Sheet****as at 29 February 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	3	305,582	303,967
<b>Current assets</b>			
Stocks		457,430	362,098
Debtors	4	556,418	616,801
Cash at bank and in hand		5,748	23,924
		<u>1,019,596</u>	<u>1,002,823</u>
<b>Creditors: amounts falling due within one year</b>	5	(651,744)	(789,267)
<b>Net current assets</b>		<u>367,852</u>	<u>213,556</u>
<b>Total assets less current liabilities</b>		<u>673,434</u>	<u>517,523</u>
<b>Creditors: amounts falling due after more than one year</b>	6	(167,254)	(51,674)
<b>Provisions for liabilities</b>		(14,322)	-
<b>Net assets</b>		<u><u>491,858</u></u>	<u><u>465,849</u></u>
<b>Capital and reserves</b>			
Called up share capital		26,050	26,050
Profit and loss account		465,808	439,799
<b>Shareholders' funds</b>		<u><u>491,858</u></u>	<u><u>465,849</u></u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Director

Approved by the board on 27 November 2020

# Northern Floorcraft (Gateshead) Limited

## Notes to the Accounts

for the year ended 29 February 2020

### 1 Accounting policies

#### *Basis of preparation*

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

#### *Turnover*

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

#### *Intangible fixed assets*

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

#### *Tangible fixed assets*

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	over the lease term
Plant and machinery	5% - 20% reducing balance basis
Fixtures, fittings, tools and equipment	5% - 20% reducing balance basis

#### *Stocks*

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

#### *Debtors*

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

#### *Creditors*

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

#### *Taxation*

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

#### ***Provisions***

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

#### ***Foreign currency translation***

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

#### ***Leased assets***

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

#### ***Pensions***

Contributions to defined contribution plans are expensed in the period to which they relate.

<b>2</b>	<b>Employees</b>	<b>2020</b>	<b>2019</b>
		<b>Number</b>	<b>Number</b>
	Average number of persons employed by the company	29	29

#### **3 Tangible fixed assets**

	<b>Plant and machinery etc</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 March 2019	407,243	90,196	497,439
Additions	19,289	-	19,289
At 29 February 2020	426,532	90,196	516,728

**Depreciation**

At 1 March 2019	189,872	3,600	193,472
Charge for the year	14,074	3,600	17,674
At 29 February 2020	<u>203,946</u>	<u>7,200</u>	<u>211,146</u>

**Net book value**

At 29 February 2020	<u>222,586</u>	<u>82,996</u>	<u>305,582</u>
At 28 February 2019	217,371	86,596	303,967

<b>4 Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>

Trade debtors	367,888	432,022
Amounts owed by group undertakings and undertakings in which the company has a participating interest	149,199	149,199
Other debtors	39,331	35,580
	<u>556,418</u>	<u>616,801</u>

<b>5 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>

Bank loans and overdrafts	37,044	16,211
Obligations under finance lease and hire purchase contracts	24,845	15,000
Trade creditors	362,137	458,898
Taxation and social security costs	148,379	147,013
Other creditors	79,339	152,145
	<u>651,744</u>	<u>789,267</u>

<b>6 Creditors: amounts falling due after one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>

Obligations under finance lease and hire purchase contracts	17,254	51,674
Other creditors	150,000	-
	<u>167,254</u>	<u>51,674</u>

**7 Events after the reporting date**

Since the year end, there has been a global lockdown as a result of the COVID19 pandemic. This has drastically affected all businesses. Senior management reacted quickly in taking action to mitigate the effects of these unprecedented conditions both on the company and its employees. The company has utilised various government and local authority financial assistance and no additional borrowing has been taken outside of these initiatives. The directors believe that the company is well positioned to move forward successfully as markets begin to re-open over the forthcoming months.

<b>8 Other financial commitments</b>	<b>2020</b>	<b>2019</b>
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	£	£
Total future minimum payments under non-cancellable operating leases	55,000	55,000

**9**
Contingent liabilities

The bank indebtedness is secured by a cross guarantee and debenture between Northern Floorcraft (Gateshead) Limited, Northern Interiors ( Gateshead) Limited, Northern Floorcraft (Sales) Limited, The Carpet Place Limited and Bourgognes (Northern) Limited in favour of HSBC Bank PLC. The respective bank overdraftst the year end were as follows: Bourgognes (Northern) Limited £239,999.

**10**
Controlling party

The company is under the control of its parent company Bourgognes (Northern) Limited. The company's registered office is Bensham Trading Estate, Lobley Hill Road, Gateshead,Tyne & Wear, NE8 2XN.

**11**
Other information

Northern Floorcraft (Gateshead) Limited is a private company limited by shares and incorporated in England. Its registered office is:  
 Bensham Trading Estate  
 Lobley Hill Road  
 Gateshead  
 Tyne & Wear  
 NE8 2XN

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