

GOLESWORTHY FLOORING LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 JANUARY 2018

STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Tangible assets	4	126,855	150,719
		<u>126,855</u>	<u>150,719</u>
CURRENT ASSETS			
Stocks	5	134,135	130,700
Debtors		912,856	947,174
Cash at bank and in hand		30,338	51,371
		<u>1,077,329</u>	<u>1,129,245</u>
Creditors: amounts falling due within one year	7	(782,300)	(818,299)
		<u>295,029</u>	<u>310,946</u>
NET CURRENT ASSETS			
		<u>421,884</u>	<u>461,665</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
Creditors: amounts falling due after more than one year		(60,335)	(87,669)
Provisions for liabilities		(19,966)	(23,204)
		<u>341,583</u>	<u>350,792</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account		341,483	350,692
		<u>341,583</u>	<u>350,792</u>

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

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

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

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

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

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

GOLESWORTHY FLOORING LIMITED

REGISTERED NUMBER:03903712

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 JANUARY 2018

Miss L Golesworthy

Director

Mr T G Golesworthy

Director

Mrs T J Bramwell

Director

Date: 5 June 2018

The notes on pages 3 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

1. GENERAL INFORMATION

Golesworthy Flooring Limited is a private company, limited by shares, registered in England within the United Kingdom. The address of the registered office is 357 Filton Avenue, Horfield, Bristol, BS7 0BD and the registered number is 03903712.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

The following principal accounting policies have been applied:

2.2 REVENUE

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

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

2.3 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018**

2. ACCOUNTING POLICIES (continued)

2.3 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance and straight line basis.

Depreciation is provided on the following basis:

Leasehold improvements	-	20% or 33% straight line
Plant and machinery	-	25% on reducing balance
Motor vehicles	-	20% on reducing balance
Fixtures and fittings	-	15% on reducing balance
Office equipment	-	15% on reducing balance

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 Statement of income and retained earnings.

2.4 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 reporting 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.

2.5 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 CASH AND CASH EQUIVALENTS

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

2. ACCOUNTING POLICIES (continued)

2.7 FINANCIAL INSTRUMENTS

The Company 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.8 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.

2.9 FINANCE COSTS

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.11 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

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

2. ACCOUNTING POLICIES (continued)

2.12 LEASED ASSETS: THE COMPANY AS LESSEE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of income and retained earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.14 INTEREST INCOME

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.15 BORROWING COSTS

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

2.16 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company 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 Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 Statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018**

2. ACCOUNTING POLICIES (continued)

2.17 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 reporting date.

3. EMPLOYEES

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

	2018 No.	2017 No.
Directors	3	3
Fitters	16	24
Office	19	17
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	38	44

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

4. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £
COST OR VALUATION					
At 1 February 2017	44,160	30,917	45,731	30,517	55,443
Additions	3,439	2,009	-	-	5,842
Disposals	-	(7,812)	-	(772)	-
At 31 January 2018	47,599	25,114	45,731	29,745	61,285
DEPRECIATION					
At 1 February 2017	7,295	7,749	14,608	7,457	18,940
Charge for the year on owned assets	10,786	1,350	542	3,458	5,928
Charge for the year on financed assets	-	4,647	5,682	-	-
Disposals	-	(5,093)	-	(730)	-
At 31 January 2018	18,081	8,653	20,832	10,185	24,868
NET BOOK VALUE					
At 31 January 2018	29,518	16,461	24,899	19,560	36,417
At 31 January 2017	36,865	23,168	31,123	23,060	36,503

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018

4. TANGIBLE FIXED ASSETS (CONTINUED)

	Total £
COST OR VALUATION	
At 1 February 2017	206,768
Additions	11,290
Disposals	(8,584)
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At 31 January 2018	209,474
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DEPRECIATION	
At 1 February 2017	56,049
Charge for the year on owned assets	22,064
Charge for the year on financed assets	10,329
Disposals	(5,823)
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At 31 January 2018	82,619
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NET BOOK VALUE	
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At 31 January 2018	126,855
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At 31 January 2017	150,719
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The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Plant and machinery	13,940	18,587
Motor vehicles	15,153	24,411
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	29,093	42,998
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018**

5. STOCKS

	2018 £	2017 £
Finished goods and goods for resale	<u>134,135</u>	<u>130,700</u>

6. DEBTORS

	2018 £	2017 £
Trade debtors	786,856	761,290
Amounts owed by group undertakings	66,969	60,030
Other debtors	25,040	74,545
Prepayments and accrued income	33,991	51,308
	<u>912,856</u>	<u>947,173</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans	15,191	14,158
Other loans	5,116	5,116
Trade creditors	178,408	321,187
Corporation tax	58,720	41,651
Other taxation and social security	59,407	85,605
Obligations under finance lease and hire purchase contracts	12,144	12,144
Other creditors	448,587	333,855
Accruals and deferred income	4,727	4,583
	<u>782,300</u>	<u>818,299</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Bank loans	41,583	56,774
Net obligations under finance leases and hire purchase contracts	18,751	30,895
	<u>60,334</u>	<u>87,669</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018**

9. LOANS

Analysis of the maturity of loans is given below:

	2018 £	2017 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	15,191	14,158
Other loans	5,116	5,116
	<u>20,307</u>	<u>19,274</u>
AMOUNTS FALLING DUE 2-5 YEARS		
Bank loans	41,583	56,774
	<u>41,583</u>	<u>56,774</u>
	<u>61,890</u>	<u>76,048</u>

10. SHARE CAPITAL

	2018 £	2017 £
ALLOTTED, CALLED UP AND FULLY PAID		
100 Ordinary £1 Shares shares of £1 each	<u>100</u>	<u>100</u>

11. PENSION COMMITMENTS

At the year end there were £1,862 (2017: £Nil) pension contributions due to be paid by the company.

12. COMMITMENTS UNDER OPERATING LEASES

At 31 January 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	-	5,432
Later than 1 year and not later than 5 years	155,884	154,130
Later than 5 years	-	60,000
	<u>155,884</u>	<u>219,562</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2018**

13. RELATED PARTY TRANSACTIONS

During the year the company entered into the following transactions with Mr M & Mrs C Golesworthy, the parents of Miss L Golesworthy and Mr T G Golesworthy, both of whom are directors and shareholders:

Rent paid - £12,000 (2017: £12,000)

Capital withdrawn - £Nil (2017: £2,023)

Flooring sales - £Nil (2017: £2,519)

At the reporting date, the company owed Mr and Mrs Golesworthy £5,116 (2017: £5,116).

At the reporting date, the company was owed £66,969 (2017: £60,030) from its parent company LG & TG Limited.

14. CONTROLLING PARTY

The company's ultimate parent company is LG & TG Limited.

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