

Company Registration No. 02835652 (England and Wales)

IDEAL EUROPE LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018
PAGES FOR FILING WITH REGISTRAR

IDEAL EUROPE LIMITED

COMPANY INFORMATION

Directors	R Kaur J Sawhney
Company number	02835652
Registered office	Watford Place 27 King Street Watford Hertfordshire WD18 0BY
Accountants	Ashley King Ltd 68 St. Margarets Road Edgware Middlesex HA8 9UU
Business address	Watford Place 27 King Street Watford Hertfordshire WD18 0BY

IDEAL EUROPE LIMITED

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IDEAL EUROPE LIMITED

BALANCE SHEET

AS AT 31 JULY 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	5		60,954		72,210
Current assets					
Stocks	6	1,541,960		991,966	
Debtors	7	3,381,255		3,856,186	
Cash at bank and in hand		2,332		3,609	
		<u>4,925,547</u>		<u>4,851,761</u>	
Creditors: amounts falling due within one year	8	<u>(4,055,332)</u>		<u>(4,100,372)</u>	
Net current assets			870,215		751,389
Total assets less current liabilities			<u>931,169</u>		<u>823,599</u>
Creditors: amounts falling due after more than one year	9		(580,000)		(580,000)
Net assets			<u>351,169</u>		<u>243,599</u>
Capital and reserves					
Called up share capital	10	100,000		100,000	
Profit and loss reserves		251,169		143,599	
Total equity			<u>351,169</u>		<u>243,599</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

IDEAL EUROPE LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JULY 2018

The financial statements were approved by the board of directors and authorised for issue on 2 April 2019 and are signed on its behalf by:

J Sawhney
Director

Company Registration No. 02835652

IDEAL EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

Company information

IDEAL EUROPE LIMITED is a private company limited by shares incorporated in England and Wales. The registered office is Watford Place, 27 King Street, Watford, Hertfordshire, WD18 0BY.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

These accounts have been prepared on a Going Concern basis, on the assumption that the company will continue to receive the support from directors and their family. The company meets its day to day working capital requirements through an overdraft facility which is repayable on demand and is secured by personal guarantee given by the shareholders.

The directors are confident that the company will continue to make steady progress and profitability will increase notwithstanding the current adverse trading conditions.

Whilst, the margin of facilities over requirements remain tight, the directors are confident that they will manage to trade within these constraints and therefore consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the overdraft facility by the company's bankers.

1.3 Turnover

Turnover represents amounts receivable for goods, net of VAT and trade discounts. Turnover is recognised when goods are either physically delivered or insured and in transit to customers.

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.

1.4 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 and buildings	Leasehold	Straight-line basis – over 10 years
Fixtures, fittings & equipment		25% on Reducing Balance

IDEAL EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

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 credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

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.

1.6 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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.

1.7 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.

IDEAL EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

(Continued)

1.8 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

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 company after deducting all of its liabilities.

Basic financial 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.

1.9 Equity instruments

Equity instruments issued by the company 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 company.

1.10 Taxation

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

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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

IDEAL EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

1 Accounting policies

(Continued)

1.11 Retirement benefits

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

1.12 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.

1.13 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.14 Intangible assets

Intangible assets represent website development cost, which is amortised over a 5 year period which is the period over which the company estimates it will benefit from this expenditure.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 17(2016 - 15).

3 Directors' remuneration

	2018 £	2017 £
Remuneration paid to directors	39,600	39,600

4 Intangible fixed assets

	Other £
Cost	
At 1 August 2017 and 31 July 2018	6,590
Amortisation and impairment	
At 1 August 2017 and 31 July 2018	6,590
Carrying amount	
At 31 July 2018	-
At 31 July 2017	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 August 2017	80,692	84,861	165,553
Additions	-	994	994
At 31 July 2018	80,692	85,855	166,547
Depreciation and impairment			
At 1 August 2017	24,207	69,137	93,344
Depreciation charged in the year	8,069	4,180	12,249
At 31 July 2018	32,276	73,317	105,593
Carrying amount			
At 31 July 2018	48,416	12,538	60,954
At 31 July 2017	56,485	15,725	72,210

6 Stocks

	2018 £	2017 £
Stocks	1,541,960	991,966

7 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	2,440,543	2,960,934
Other debtors	940,712	895,252
	3,381,255	3,856,186

IDEAL EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2018

8 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	3,480,607	3,420,358
Trade creditors	467,244	538,286
Corporation tax	14,891	-
Other taxation and social security	145,886	109,363
Other creditors	(53,296)	32,365
	<u>4,055,332</u>	<u>4,100,372</u>

9 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	<u>580,000</u>	<u>580,000</u>

10 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
100,000 Ordinary of £1 each	<u>100,000</u>	<u>100,000</u>
	<u>100,000</u>	<u>100,000</u>

11 Operating lease commitments

Lessee

Amounts recognised in profit or loss as an expense during the period in respect of operating lease arrangements are as in relation to rent paid to related party £ 65,000 (2016 - £ 83,346) and lease payments in respect of vehicle leases amounting to £ 10,061 (2016 £15,254)

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.