

### **Statement of Consent to Prepare Abridged Financial Statements**

All of the members of J.E.M. Carpet Company Ltd have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 31 December 2016 in accordance with Section 444(2A) of the Companies Act 2006.

COMPANY REGISTRATION NUMBER: SC132136

**J.E.M. Carpet Company Ltd**

**Filleted Unaudited Abridged Financial Statements**

**31 December 2016**

# **J.E.M. Carpet Company Ltd**

## **Abridged Financial Statements**

**Year ended 31 December 2016**

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# **J.E.M. Carpet Company Ltd**

## **Report to the Director on the Preparation of the Unaudited Statutory Abridged Financial Statements of J.E.M. Carpet Company Ltd**

### **Year ended 31 December 2016**

As described on the abridged statement of financial position, the director of the company is responsible for the preparation of the abridged financial statements for the year ended 31 December 2016, which comprise the abridged statement of financial position and the related notes. You consider that the company is exempt from an audit under the Companies Act 2006. In accordance with your instructions we have compiled these abridged financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and from information and explanations supplied to us.

**TURNER ACCOUNTANCY LTD** Chartered accountant

17-19 Motherwell Road Carfin Motherwell ML1 4EB

16 March 2017

**J.E.M. Carpet Company Ltd**  
**Abridged Statement of Financial Position**

**31 December 2016**

		2016	2015
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	6	320,560	323,234
<b>Current assets</b>			
Stocks		785,724	748,000
Debtors		219,586	581,318
Cash at bank and in hand		1,894,312	1,422,133
		-----	-----
		2,899,622	2,751,451
<b>Creditors: amounts falling due within one year</b>		987,561	539,244
		-----	-----
<b>Net current assets</b>		1,912,061	2,212,207
		-----	-----
<b>Total assets less current liabilities</b>		2,232,621	2,535,441
<b>Provisions</b>			
Taxation including deferred tax		42,094	41,116
		-----	-----
<b>Net assets</b>		2,190,527	2,494,325
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# J.E.M. Carpet Company Ltd

## Abridged Statement of Financial Position *(continued)*

31 December 2016

	Note	2016 £	2015 £
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Profit and loss account		2,189,527	2,493,325
		-----	-----
<b>Members funds</b>		2,190,527	2,494,325
		-----	-----

These abridged financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the abridged statement of income and retained earnings has not been delivered.

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its abridged financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of abridged financial statements .

These abridged financial statements were approved by the board of directors and authorised for issue on 16 March 2017 , and are signed on behalf of the board by:

Mr J Marshall

Director

Company registration number: SC132136

# **J.E.M. Carpet Company Ltd**

## **Notes to the Abridged Financial Statements**

### **Year ended 31 December 2016**

#### **1. General information**

The company is a private company limited by shares, registered in Scotland. The address of the registered office is 1a High Avon Street, Larkhall, ML9 1AP.

#### **2. Statement of compliance**

These abridged financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The abridged financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abridged financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 9.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

##### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	25% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.



**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance
Motor vehicles	-	25% reducing balance

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

## Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the abridged statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

## Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

## 4. Employee numbers

The average number of persons employed by the company during the year, including the director, amounted to 43 (2015: 43 ).

## 5. Intangible assets

	£
<b>Cost</b>	
At 1 January 2016 and 31 December 2016	30,000
<b>Amortisation</b>	
At 1 January 2016 and 31 December 2016	30,000
<b>Carrying amount</b>	
At 31 December 2016	—

## 6. Tangible assets

	£
<b>Cost</b>	
At 1 January 2016	657,475
Additions	166,805
Disposals	( 125,918)
<b>At 31 December 2016</b>	<b>698,362</b>
<b>Depreciation</b>	
At 1 January 2016	334,241
Charge for the year	76,906
Disposals	( 33,345)
<b>At 31 December 2016</b>	<b>377,802</b>
<b>Carrying amount</b>	
At 31 December 2016	320,560
At 31 December 2015	323,234

## 7. Director's advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

2016				
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr J Marshall	( 162,410)	( 215,000)	206,985	( 170,425)
2015				
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr J Marshall	( 12,143)	( 159,447)	9,180	( 162,410)

## 8. Related party transactions

The company was under the control of Mr J Marshall throughout the current and previous year. Mr J Marshall is the managing director and majority shareholder.

## 9. Transition to FRS 102

These are the first abridged financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2015.

No transitional adjustments were required in equity or profit or loss for the year.

## 10. Other spare note 99 heading

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.