

Cotteswood Furniture Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 March 2019

HGR Accountants Limited
Chartered Tax Advisers & Accountants
3 Linden Road
Cheadle Hulme
Cheshire
SK8 5NB

Cotteswood Furniture Limited

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Cotteswood Furniture Limited

Company Information

Directors Mr Paul Harding
Mr Mark Simms

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SK8 5NB

Accountants HGR Accountants Limited
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**Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
Cotteswood Furniture Limited
for the Year Ended 31 March 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Cotteswood Furniture Limited for the year ended 31 March 2019 as set out on pages [3](#) to [9](#) from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Cotteswood Furniture Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Cotteswood Furniture Limited and state those matters that we have agreed to state to the Board of Directors of Cotteswood Furniture Limited, as a body. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cotteswood Furniture Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Cotteswood Furniture Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Cotteswood Furniture Limited. You consider that Cotteswood Furniture Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Cotteswood Furniture Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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SK8 5NB

27 December 2019

Cotteswood Furniture Limited

(Registration number: 01751863) Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	31,686	41,803
Current assets			
Stocks	5	80,777	136,609
Debtors	6	144,165	113,395
Cash at bank and in hand		291	5,065
		<hr/> 225,233	<hr/> 255,069
Creditors: Amounts falling due within one year	7	<hr/> (306,606)	<hr/> (285,728)
Net current liabilities		<hr/> (81,373)	<hr/> (30,659)
Net (liabilities)/assets		<hr/> (49,687)	<hr/> 11,144
Capital and reserves			
Called up share capital	8	10,000	10,000
Profit and loss account		<hr/> (59,687)	<hr/> 1,144
Total equity		<hr/> (49,687)	<hr/> 11,144

For the financial year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 27 December 2019 and signed on its behalf by:

.....
Mr Mark Simms
Director

The notes on pages [4](#) to [9](#) form an integral part of these financial statements.

Cotteswood Furniture Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2019

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when: The amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Tax

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Cotteswood Furniture Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2019

Asset class	Depreciation method and rate
Leasehold improvements	over the period of the lease
Plant and machinery	straight line over 6 years
Fixtures and fittings	25% straight line
Office equipment	25% straight line
Motor vehicles	25% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Cotteswood Furniture Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2019

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 23 (2018 - 29).

Cotteswood Furniture Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2019

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £
Cost or valuation				
At 1 April 2018	19,683	295,504	53,764	384,500
Additions	-	1,893	-	-
At 31 March 2019	19,683	297,397	53,764	384,500
Depreciation				
At 1 April 2018	19,683	268,906	53,764	369,295
Charge for the year	-	5,531	-	6,479
At 31 March 2019	19,683	274,437	53,764	375,774
Carrying amount				
At 31 March 2019	-	22,960	-	8,726
At 31 March 2018	-	26,598	-	15,205
				Total £
Cost or valuation				
At 1 April 2018				753,451
Additions				1,893
At 31 March 2019				755,344
Depreciation				
At 1 April 2018				711,648
Charge for the year				12,010
At 31 March 2019				723,658
Carrying amount				
At 31 March 2019				31,686
At 31 March 2018				41,803

Included within the net book value of land and buildings above is £1 (2018 - £1) in respect of freehold land and buildings.

Cotteswood Furniture Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2019

5 Stocks

	2019	2018
	£	£
Work in progress	13,607	60,090
Other inventories	67,170	76,519
	80,777	136,609

6 Debtors

	Note	2019	2018
		£	£
Trade debtors		7,583	7,126
Amounts owed by group undertakings and undertakings in which the company has a participating interest	10	33,027	34,416
Prepayments		71,914	64,682
Other debtors		31,641	7,171
		144,165	113,395

7 Creditors

Creditors: amounts falling due within one year

	Note	2019	2018
		£	£
Due within one year			
Loans and borrowings	9	9,971	4,537
Trade creditors		225,302	203,939
Taxation and social security		59,643	27,908
Accruals and deferred income		9,587	46,338
Other creditors		2,103	3,006
		306,606	285,728

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
ordinary shares of £1 each	10,000	10,000	10,000	10,000

Cotteswood Furniture Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2019

9 Loans and borrowings

	2019	2018
	£	£
Current loans and borrowings		
Bank overdrafts	9,971	4,537

10 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2019	2018
	£	£
Remuneration	81,850	134,828
Contributions paid to money purchase schemes	7,054	7,397
	<u>88,904</u>	<u>142,225</u>

11 Parent and ultimate parent undertaking

The company's immediate parent is Cotteswood Kitchens Limited, incorporated in England and Wales.

The ultimate controlling party is Mark Simms.