

Company Registration No. 00257489 (England and Wales)

**EFG EUROPEAN FURNITURE GROUP LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 OCTOBER 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# EFG EUROPEAN FURNITURE GROUP LTD

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# EFG EUROPEAN FURNITURE GROUP LTD

## BALANCE SHEET

AS AT 31 OCTOBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	3		144,233		147,875
<b>Current assets</b>					
Stocks		425,357		134,129	
Debtors	4	2,354,537		1,033,967	
Cash at bank and in hand		239,502		15,958	
		<u>3,019,396</u>		<u>1,184,054</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(2,600,799)</u>		<u>(1,676,951)</u>	
<b>Net current assets/(liabilities)</b>			418,597		(492,897)
<b>Total assets less current liabilities</b>			<u>562,830</u>		<u>(345,022)</u>
<b>Creditors: amounts falling due after more than one year</b>	6		<u>(530,000)</u>		<u>-</u>
<b>Net assets/(liabilities)</b>			<u>32,830</u>		<u>(345,022)</u>
<b>Capital and reserves</b>					
Called up share capital	7		1		1
Profit and loss reserves			32,829		(345,023)
<b>Total equity</b>			<u>32,830</u>		<u>(345,022)</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 period ended 31 October 2020 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 period 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.

## **EFG EUROPEAN FURNITURE GROUP LTD**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 OCTOBER 2020***

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The financial statements were approved by the board of directors and authorised for issue on 17 February 2021 and are signed on its behalf by:

D Murphy  
**Director**

**Company Registration No. 00257489**

# EFG EUROPEAN FURNITURE GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 2020

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### 1 Accounting policies

#### Company information

EFG European Furniture Group Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit N2, Haydock Cross, Kilbuck Lane, Haydock, St Helens, Merseyside, WA11 9UX.

#### 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. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents amounts receivable for the sale of office furniture products prior to the balance sheet date net of VAT.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Showroom	25% per annum on a straight line basis
Short leasehold land and buildings	2% per annum on a straight line basis
Plant and equipment	12.5% - 25% per annum on a reducing balance basis
Motor vehicles	25% per annum on a straight line basis

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 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.

# EFG EUROPEAN FURNITURE GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2020

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### 1 Accounting policies

(Continued)

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.

#### 1.6 Stocks

Stock and work in progress is stated at lower of cost and net realisable value.

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 and cash equivalents 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.

#### 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.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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.

# EFG EUROPEAN FURNITURE GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2020

### 1 Accounting policies

(Continued)

#### **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.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

### 1.10 Taxation

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

#### **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.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# EFG EUROPEAN FURNITURE GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2020

### 1 Accounting policies

(Continued)

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

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

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leased asset are consumed.

#### 1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.15 Foreign exchange

Transactions in foreign currencies are translated at the rate of exchange ruling at the date of transaction. Monetary assets and liabilities in foreign currencies are translated at the rate of exchange ruling at the balance sheet date and gains or losses on translation are included in the profit and loss account.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2020 Number	2019 Number
Total	19	23
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# EFG EUROPEAN FURNITURE GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2020

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 July 2019	79,702	460,156	539,858
Additions	20,000	7,093	27,093
Disposals	-	(124,060)	(124,060)
At 31 October 2020	99,702	343,189	442,891
<b>Depreciation and impairment</b>			
At 1 July 2019	78,650	313,333	391,983
Depreciation charged in the period	2,917	27,193	30,110
Eliminated in respect of disposals	-	(123,435)	(123,435)
At 31 October 2020	81,567	217,091	298,658
<b>Carrying amount</b>			
At 31 October 2020	18,135	126,098	144,233
At 30 June 2019	1,052	146,823	147,875

### 4 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	2,216,795	959,091
Amounts owed by group undertakings	23,350	-
Other debtors	114,392	74,876
	2,354,537	1,033,967

### 5 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	683,868	410,798
Trade creditors	1,615,481	1,032,825
Taxation and social security	193,939	109,080
Other creditors	107,511	124,248
	2,600,799	1,676,951

Bank loans and overdrafts are secured by way of a fixed and floating charge on the assets of the company.

# EFG EUROPEAN FURNITURE GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 OCTOBER 2020

### 6 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	530,000	-
	<u>530,000</u>	<u>-</u>

The Bank loan is secured by way of a fixed and floating charge on the assets of the company.

### 7 Called up share capital

	2020	2019
	£	£
Ordinary share capital Issued and fully paid		
1 Ordinary A share of £1	1	1
	<u>1</u>	<u>1</u>

### 8 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020	2019
	£	£
	506,962	572,005
	<u>506,962</u>	<u>572,005</u>

### 9 Parent company

The immediate and ultimate parent company is Hage Holdings Limited, a company registered in England and Wales, which is exempt from the requirement to prepare consolidated financial statements.

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.