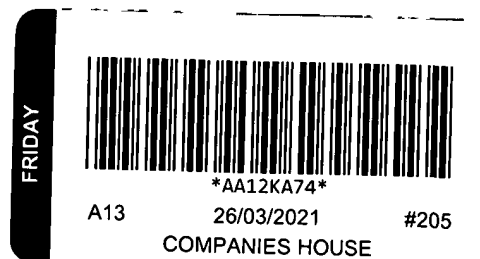


Company Registration No. 00752667 (England and Wales)

**ARAM DESIGNS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2020**  
**PAGES FOR FILING WITH REGISTRAR**

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**ARAM DESIGNS LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2020**

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Intangible assets	3	120,703		106,817	
Tangible assets	4	2,045,939		2,130,898	
		<u>2,166,642</u>		<u>2,237,715</u>	
<b>Current assets</b>					
Stocks		962,688		894,205	
Debtors	5	353,531		436,499	
Cash at bank and in hand		97,711		496,019	
		<u>1,413,930</u>		<u>1,826,723</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(1,228,439)</u>		<u>(1,395,676)</u>	
<b>Net current assets</b>		<u>185,491</u>		<u>431,047</u>	
<b>Total assets less current liabilities</b>		<u>2,352,133</u>		<u>2,668,762</u>	
<b>Creditors: amounts falling due after more than one year</b>	7	(2,470)		(8,440)	
<b>Provisions for liabilities</b>	8	(205,963)		(222,264)	
<b>Net assets</b>		<u>2,143,700</u>		<u>2,438,058</u>	
<b>Capital and reserves</b>					
Called up share capital		1,000		1,000	
Revaluation reserve		692,472		717,656	
Capital redemption reserve		1,275,377		1,275,377	
Profit and loss reserves		174,851		444,025	
<b>Total equity</b>		<u>2,143,700</u>		<u>2,438,058</u>	

# ARAM DESIGNS LIMITED

## STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2020

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The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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.

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

The financial statements were approved by the board of directors and authorised for issue on 23/03/2021 and are signed on its behalf by:



D. Aram  
Director

# ARAM DESIGNS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

#### Company information

Aram Designs Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 3 Kean Street, Covent Garden, London, WC2B 4AT.

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

#### Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, with the continued support of the directors. The directors have considered the potential wider economic effect of the current Coronavirus situation and believe that any known risks have been suitably mitigated. As such, the accounts have been prepared on a going concern basis.

#### Turnover

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

#### Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation 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:

Software and website costs	Over 5 years
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#### 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, other than on freehold land, so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	Over 50 years
Leasehold improvements	Over 20 to 25 years
Fixtures, fittings and equipment	Over 5 years
Computer equipment	Over 3 to 5 years
Motor vehicles	Over 4 years

# ARAM DESIGNS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies (Continued)

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

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.

#### **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.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items

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.

#### **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 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 trade and other debtors, 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

# ARAM DESIGNS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies (Continued)

##### ***Impairment of financial assets***

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***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.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

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

##### ***Equity instruments***

Equity instruments issued by the company are recorded at the fair value of 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.

##### ***Taxation***

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

# ARAM DESIGNS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies (Continued)

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

For non-depreciable assets measured using the deemed cost model, deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

#### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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

#### **Retirement benefits**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable. Differences between contributions payable in the year and contributions and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 leases asset are consumed.

# ARAM DESIGNS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies (Continued)

#### Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 28 (2019 - 29).

### 3 Intangible fixed assets

	Software and website costs £
<b>Cost</b>	
At 1 April 2019	162,091
Additions	52,848
	<hr/>
At 31 March 2020	214,939
	<hr/>
<b>Amortisation and impairment</b>	
At 1 April 2019	55,274
Amortisation charged for the year	38,962
	<hr/>
At 31 March 2020	94,236
	<hr/>
<b>Carrying amount</b>	
At 31 March 2020	120,703
	<hr/>
At 31 March 2019	106,817
	<hr/>



# ARAM DESIGNS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 4 Tangible fixed assets

	Freehold property	Leasehold improvements	Fixtures, fittings and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost or valuation</b>						
At 1 April 2019	1,300,000	1,303,485	370,671	287,055	96,600	3,357,811
Additions	-	-	-	524	-	524
At 31 March 2020	1,300,000	1,303,485	370,671	287,579	96,600	3,358,335
<b>Depreciation and impairment</b>						
At 1 April 2019	36,000	584,544	283,049	239,357	83,963	1,226,913
Depreciation charged in the year	18,000	33,725	15,700	6,008	12,050	85,483
At 31 March 2020	54,000	618,269	298,749	245,365	96,013	1,312,396
<b>Carrying amount</b>						
At 31 March 2020	1,246,000	685,216	71,922	42,214	587	2,045,939
At 31 March 2019	1,264,000	718,941	87,622	47,698	12,637	2,130,898

Land and buildings with a carrying amount of £1,246,000 were revalued at 31 March 2017 by the directors, on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

Held within freehold property above is land with a carrying value of £400,000 (2019: £400,000) which is not depreciated.

If the properties were disposed of at the above valuation, corporation tax of £87,001 (2019: £87,001) would be payable.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2020 £	2019 £
Cost	525,000	525,000
Accumulated depreciation	(104,153)	(99,667)
Carrying value	420,847	425,333

The revaluation surplus is disclosed in the Statement of Changes in Equity.

# ARAM DESIGNS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 5 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	132,216	170,698
Corporation tax recoverable	11,846	-
Other debtors	209,469	265,801
	<u>353,531</u>	<u>436,499</u>

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

	2020	2019
	£	£
Trade creditors	656,096	827,498
Corporation tax	-	11,846
Other taxation and social security	206,420	186,517
Other creditors	365,923	369,815
	<u>1,228,439</u>	<u>1,395,676</u>

Included within other creditors above are net obligations under hire purchase contracts totalling £5,970 (2019: £10,969).

Net obligations under hire purchase contracts are secured on the assets to which they relate.

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

	2020	2019
	£	£
Other creditors	<u>2,470</u>	<u>8,440</u>

Included within other creditors above are net obligations under hire purchase contracts totalling £2,470 (2019: £8,440).

Net obligations under hire purchase contracts are secured on the assets to which they relate.

### 8 Provisions for liabilities

	2020	2019
	£	£
Deferred tax liabilities	<u>205,963</u>	<u>222,264</u>

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# ARAM DESIGNS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 9 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2020 £	Liabilities 2019 £
<b>Balances:</b>		
Accelerated capital allowances	101,758	101,509
Short term timing differences	(264)	(255)
Revaluation of land and buildings	132,680	121,010
Losses	(28,211)	-
	<u>205,963</u>	<u>222,264</u>
<b>Movements in the year:</b>		2020 £
Liability at 1 April 2019		222,264
Credit to profit or loss		(16,301)
Liability at 31 March 2020		<u>205,963</u>

### 10 Related party transactions

During the year repayments totalling £1,728 (2019: £268,533) were made to the directors.

During the year payments totalling £16,686 (2019: £385,406) were made to the company by the directors.

At the year end, a balance of £144,420 (2019: £129,462) was owed to the directors. These loans are interest free and repayable on demand and are included in other creditors.