

**CITY OFFICE INTERIORS LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 OCTOBER 2017**



## **CITY OFFICE INTERIORS LIMITED**

### **COMPANY INFORMATION**

**Directors**

D C Brown  
D J Crabb (resigned 28 April 2017)  
S D Spires

**Company secretary**

D C Brown

**Registered number**

01854684

**Registered office**

Albany House  
Hurst Street  
Birmingham  
B5 4BD

**Independent auditor**

PKF Cooper Parry Group Limited  
Chartered Accountants & Statutory Auditor  
Park View  
One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

# **CITY OFFICE INTERIORS LIMITED**

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## **CITY OFFICE INTERIORS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2017**

The directors present their report and the financial statements for the year ended 31 October 2017.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Directors**

The directors who served during the year were:

D C Brown  
D J Crabb (resigned 28 April 2017).  
S-D Spires

**CITY OFFICE INTERIORS LIMITED .**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 OCTOBER 2017**

**Disclosure of information to auditor**

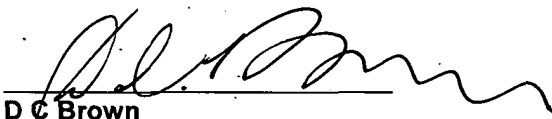
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

  
**D C Brown**  
Director

Date: 19 July 2018

## **CITY OFFICE INTERIORS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CITY OFFICE INTERIORS LIMITED**

#### **Opinion**

We have audited the financial statements of City Office Interiors Limited (the 'Company') for the year ended 31 October 2017, which comprise the Profit and Loss Account, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 October 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **CITY OFFICE INTERIORS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CITY OFFICE INTERIORS LIMITED (CONTINUED)**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

## **CITY OFFICE INTERIORS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CITY OFFICE INTERIORS LIMITED (CONTINUED)**

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

#### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*PKF Cooper Parry Group Limited*

Daniel Parker FCA (Senior Statutory Auditor)

for and on behalf of

**PKF Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

Park View  
One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

19 July 2018



# CITY OFFICE INTERIORS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2017

	Note	2017 £	2016 £
<b>Turnover</b>	3	7,048,952	9,565,830
Cost of sales		(5,041,909)	(6,968,880)
<b>Gross profit</b>		2,007,043	2,596,950
Administrative expenses		(1,608,687)	(2,198,556)
<b>Operating profit</b>		398,356	398,394
Interest receivable and similar income		10,796	10,122
Interest payable and expenses		-	(7)
<b>Profit on ordinary activities before taxation</b>		409,152	408,509
Tax on profit on ordinary activities	7	(85,563)	(88,063)
<b>Profit after tax</b>		323,589	320,446
Retained earnings at the beginning of the year		1,478,111	1,407,665
Profit for the year		323,589	320,446
Dividends declared and paid		(250,000)	(250,000)
<b>Retained earnings at the end of the year</b>		1,551,700	1,478,111

There were no recognised gains and losses for 2017 or 2016 other than those included in the profit and loss account.

The notes on pages 8 to 15 form part of these financial statements.


**CITY OFFICE INTERIORS LIMITED**  
**REGISTERED NUMBER: 01854684**

**BALANCE SHEET**  
**AS AT 31 OCTOBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible fixed assets	8	153,686	153,236
<b>Current assets</b>			
Stocks	9	63,069	64,308
Debtors: amounts falling due within one year	10	1,059,683	2,236,229
Cash at bank and in hand		2,583,220	2,847,950
		<u>3,705,972</u>	<u>5,148,487</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(2,297,958)</u>	<u>(3,813,612)</u>
<b>Net current assets</b>		1,408,014	1,334,875
<b>Net assets</b>		<u>1,561,700</u>	<u>1,488,111</u>
<b>Capital and reserves</b>			
Called up share capital	13	10,000	10,000
Profit and loss account	14	1,551,700	1,478,111
		<u>1,561,700</u>	<u>1,488,111</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
**S D Spires**  
 Director

Date: 19 July 2018

The notes on pages 8 to 15 form part of these financial statements.

## **CITY OFFICE INTERIORS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017**

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

City Office Interiors Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the Company information page.

The financial statement are prepared in sterling (£). The financial statements are for a period of 52 weeks ended 31 October 2017 (2016 - 52 weeks ended 31 October 2016).

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### **2.2. Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

##### **Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### **2.3 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

## **CITY OFFICE INTERIORS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017**

#### **2. Accounting policies (continued)**

##### **2.3 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 25% straight line
Fixtures and fittings	- 10 - 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

##### **2.4 Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

##### **2.5 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

##### **2.6 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

## **CITY OFFICE INTERIORS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017**

#### **2. Accounting policies (continued)**

##### **2.7 Pensions**

###### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### **2.8 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

##### **2.9 Current and deferred taxation**

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only 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 calculated 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.

#### **3. Turnover**

The whole of the turnover is attributable to the company's principal activity.

All turnover arose within the United Kingdom.

#### **4. Auditor's remuneration**

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £8,000 (2016 - £7,775).

# CITY OFFICE INTERIORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

### 5. Employees

The average monthly number of employees, including directors, during the year was 9 (2016 - 9).

### 6. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	852,324	1,415,120
Company contributions to defined contribution pension schemes	59,213	60,972
	<u>911,537</u>	<u>1,476,092</u>

The highest paid director received remuneration of £693,591 (2016 - £1,180,381).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £16,013 (2016 - £15,542).

### 7. Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	87,000	93,000
Adjustments in respect of previous periods	(437)	63
	<u>86,563</u>	<u>93,063</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,000)	(5,000)
<b>Taxation on profit on ordinary activities</b>	<u>85,563</u>	<u>88,063</u>

# CITY OFFICE INTERIORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

### 7. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 19.41% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	409,152	408,509
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.41% (2016 - 20%)	79,432	81,702
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	7,509	5,402
Capital allowances for year in excess of depreciation	-	5,348
Adjustments to tax charge in respect of prior periods	(437)	63
Short term timing differences	(973)	(5,000)
Changes in provisions	-	111
Other adjustments	32	437
<b>Total tax charge for the year</b>	<b>85,563</b>	<b>88,063</b>

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

# CITY OFFICE INTERIORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

### 8. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 November 2016	252,843	67,361	320,204
Additions	100,046	807	100,853
Disposals	(108,702)	(4,655)	(113,357)
At 31 October 2017	244,187	63,513	307,700
<b>Depreciation</b>			
At 1 November 2016	109,863	57,104	166,967
Charge for the year	60,461	3,270	63,731
Disposals	(72,029)	(4,655)	(76,684)
At 31 October 2017	98,295	55,719	154,014
<b>Net book value</b>			
At 31 October 2017	145,892	7,794	153,686
At 31 October 2016	142,980	10,257	153,237

### 9. Stocks

	2017 £	2016 £
Amounts recoverable on contracts	63,069	64,308

### 10. Debtors

	2017 £	2016 £
Trade debtors	655,754	1,824,358
Other debtors	321,333	314,217
Prepayments and accrued income	61,596	77,654
Deferred taxation	21,000	20,000
	1,059,683	2,236,229



# CITY OFFICE INTERIORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

### 11. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	876,372	1,676,559
Corporation tax	87,000	93,000
Other taxation and social security	270,298	269,110
Accruals and deferred income	1,064,288	1,774,943
	<u>2,297,958</u>	<u>3,813,612</u>

### 12. Deferred tax asset

	2017 £
At beginning of year	20,000
Credited to profit and loss account	1,000
<b>At end of year</b>	<u>21,000</u>

The deferred tax asset is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	<u>21,000</u>	<u>20,000</u>

### 13. Share capital

	2017 £	2016 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

### 14. Reserves

#### Profit and loss account

Includes all current and prior period retained profits and losses.

# CITY OFFICE INTERIORS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

### 15. Pension commitments

The company contributes to individuals' personal pension plans and the pension cost charge for the year was £78,536 (2016 - £68,385). Contributions totalling £9,303 (2016 - £9,934) were payable at the balance sheet date and are included in accruals.

### 16. Commitments under operating leases

At 31 October 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
<b>Land and buildings</b>		
Not later than 1 year	7,750	11,734
	<u>7,750</u>	<u>11,734</u>
	2017 £	2016 £
<b>Other</b>		
Not later than 1 year	1,203	1,203
Later than 1 year and not later than 5 years	1,683	3,089
	<u>2,886</u>	<u>4,292</u>

### 17. Controlling party

The controlling party is S D Spires by virtue of his majority holding in the share capital of the company.