

**WATTS AND CO. (FURNISHINGS)
LIMITED**

**DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2017**

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WATTS AND CO. (FURNISHINGS) LIMITED

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WATTS AND CO. (FURNISHINGS) LIMITED

COMPANY INFORMATION

Directors	Fiona Flint Marie De Caraman Chimay Michael Hoare Robert Hoare
Registered number	02173133
Registered office	312 Chelsea Harbour Design Center Chelsea Harbour London SW10 0XE
Accountants	Lewis Golden LLP 40 Queen Anne Street London W1G 9EL
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ

WATTS AND CO. (FURNISHINGS) LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	5,225	20,897
		<u>5,225</u>	<u>20,897</u>
Current assets			
Stocks		306,299	272,584
Debtors: amounts falling due within one year	5	130,366	48,570
Cash at bank and in hand		860,896	287,751
		<u>1,297,561</u>	<u>608,905</u>
Creditors: amounts falling due within one year	6	(673,519)	(355,563)
Net current assets		<u>624,042</u>	<u>253,342</u>
Total assets less current liabilities		<u>629,267</u>	<u>274,239</u>
Provisions for liabilities			
Deferred tax		-	(2,834)
		<u>-</u>	<u>(2,834)</u>
Net assets		<u><u>629,267</u></u>	<u><u>271,405</u></u>
Capital and reserves			
Called up share capital		1,552	1,552
Share premium account		233,680	233,680
Capital redemption reserve		18	18
Profit and loss account		394,017	36,155
		<u>629,267</u>	<u>271,405</u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

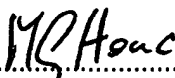
The company has opted not to file the Directors' Report and Profit and Loss Account in accordance with provisions applicable to companies subject to the small companies' regime.

WATTS AND CO. (FURNISHINGS) LIMITED

Registered number: 02173133 (England & Wales)

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2017

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


.....
Michael Hoare
Director

Date: 19/9/18

The notes on pages 4 to 8 form part of these financial statements.

WATTS AND CO. (FURNISHINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Watts and Co. (Furnishings) Limited is a private company limited by share capital, incorporated in England and Wales, registration number 02173133. The address of the registered office is 312 Chelsea Harbour Design Center, Chelsea Harbour, London SW10 0XE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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.

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:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction 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.

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:

Short-term leasehold property	-	25%
Plant and machinery etc.	-	25%

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.

WATTS AND CO. (FURNISHINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Profit and Loss Account.

2.5 Debtors

Short term debtors are measured at the transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The company only enters into basic financial instrument 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, loans to related parties and investments in non-puttable ordinary shares.

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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

WATTS AND CO. (FURNISHINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account.

2.10 Pensions

Defined contribution pension scheme

The company operates a defined contribution plan for its employees. A defined contribution scheme is a pension scheme 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.

2.11 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.

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

WATTS AND CO. (FURNISHINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017****3. Employees**

The average monthly number of employees, including directors, during the year was 7 (2016 - 7).

4. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery etc. £	Total £
Cost			
At 1 January 2017	27,503	135,897	163,400
At 31 December 2017	27,503	135,897	163,400
Depreciation			
At 1 January 2017	27,254	115,249	142,503
Charge for the year	249	15,423	15,672
At 31 December 2017	27,503	130,672	158,175
Net book value			
At 31 December 2017	-	5,225	5,225
At 31 December 2016	249	20,648	20,897

5. Debtors

	2017 £	2016 £
Trade debtors	68,195	12,740
Other debtors	62,171	35,830
	130,366	48,570

WATTS AND CO. (FURNISHINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	162,454	171,726
Corporation tax	90,068	3,945
Other taxation and social security	17,004	21,928
Other creditors	403,993	157,964
	<u>673,519</u>	<u>355,563</u>

7. Commitments under operating leases

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases of £210,000 (2016 - £268,390).

8. Related party transactions

Other debtors includes interest free loans of £28,331 (2016 - £8,506) which have been loaned from (2016 - to) the company by the directors.