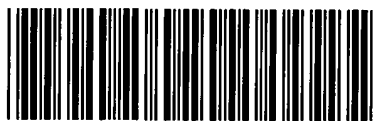


Audited Financial Statements
for the Year Ended 31 December 2016
for
SAVOIR BEDS LIMITED

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SAVOIR BEDS LIMITED

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for the year ended 31 December 2016**

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SAVOIR BEDS LIMITED

Company Information
for the year ended 31 December 2016

Directors:	Mr S M Winston Mr A N Hughes
Secretary:	Mr S M Winston
Registered office:	1 Old Oak Lane London NW10 6UD
Registered number:	03395749 (England and Wales)
Senior statutory auditor:	Amilios Costa
Auditors:	Haines Watts Chartered Accountants and Statutory Auditors 305 Regents Park Road Finchley London N3 1DP

SAVOIR BEDS LIMITED (REGISTERED NUMBER: 03395749)

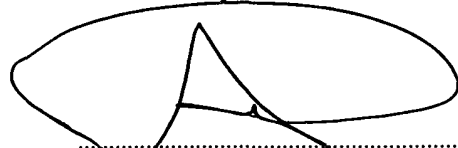
Balance Sheet
31 December 2016

	Notes	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	4		269,579		216,977
Investments	5		213,603		213,603
			<u>483,182</u>		<u>430,580</u>
Current assets					
Stocks		535,376		577,912	
Debtors	6	1,806,164		1,254,766	
Cash at bank and in hand		641,954		440,086	
		<u>2,983,494</u>		<u>2,272,764</u>	
Creditors					
Amounts falling due within one year	7	1,971,587		1,582,959	
		<u>1,971,587</u>		<u>1,582,959</u>	
Net current assets			<u>1,011,907</u>		<u>689,805</u>
Total assets less current liabilities			<u>1,495,089</u>		<u>1,120,385</u>
Provisions for liabilities	9		<u>24,322</u>		<u>-</u>
Net assets			<u><u>1,470,767</u></u>		<u><u>1,120,385</u></u>
Capital and reserves					
Called up share capital	10		15,000		15,000
Retained earnings	11		1,455,767		1,105,385
			<u>1,470,767</u>		<u>1,120,385</u>
Shareholders' funds			<u><u>1,470,767</u></u>		<u><u>1,120,385</u></u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 22/9/2017 and were signed on its behalf by:



.....
Mr A N Hughes - Director

The notes form part of these financial statements

SAVOIR BEDS LIMITED

Notes to the Financial Statements for the year ended 31 December 2016

1. Statutory information

Savoir Beds Limited is a company limited by shares incorporated in the United Kingdom operating from 1 Old Oak Lane, London, NW10 6UD. Company Registered Number: 03395749.

2. Accounting policies

Basis of preparing the financial statements

These financial statements are the first annual financial statements of the company to be prepared in accordance with the provisions of Section 1A "Small Entities" of FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" and the Companies Act 2006..

Information on the impact of first-time adoption of FRS 102 1A is given in note 15.

The preparation of financial statements in compliance with FRS 102 1A requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The financial statements have been prepared on a going concern basis, under the historical cost convention.

Key sources of estimation, uncertainty and judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgement that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

There is estimation uncertainty in calculating bad debt provisions. A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provision do not match the level of debts which ultimately prove to be uncorrectable.

There is estimation uncertainty in calculating depreciation. A full line by line review of fixed assets is carried out by management regularly. Whilst every attempt is made to ensure that the depreciation policy is as accurate as possible, there remains a risk that the policy does not match the useful economic life of the assets.

There is estimation uncertainty in calculating stock provision. A full line by line review of stock is carried out at the end of each month. Whilst every attempt is made to ensure that the stock provision is as accurate as possible, there remains a risk that the provision does not match the level of stock which ultimately prove to be obsolete.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- over the length of the lease
Plant and machinery	- 25% straight line basis
Fixtures and fittings	- 20% / 25% on reducing balance basis
Computer equipment	- 25% on reducing balance

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

SAVOIR BEDS LIMITED

Notes to the Financial Statements - continued for the year ended 31 December 2016

2. Accounting policies - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the company's cash management.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

SAVOIR BEDS LIMITED

Notes to the Financial Statements - continued for the year ended 31 December 2016

2. Accounting policies - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Financial reporting standards 102

The first date at which FRS 102 1A was applied was 1 January 2015. In accordance with FRS 102 1A the company has:

- Provided comparative information;
- Applied the same accounting policies throughout all periods presented; and
- Retrospectively applied FRS 102 1A as required.

On transition, management have considered the effect of any changes in accounting treatment from UK GAAP to FRS 102 1A for this company and have concluded that there are no material changes that warrant restatement of the comparative financial.

Commission payable

Commission payable is measured at fair value of the consideration paid or payable, excluding discounts and value added tax.

Unaudited comparative financial statements

The financial statements of the company for the year ended 31 December 2015 were not audited.

3. Employees and directors

The average number of employees during the year was 60 (2015 - 55).

4. Tangible fixed assets

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
Cost					
At 1 January 2016	135,327	123,426	364,498	89,933	713,184
Additions	-	10,062	115,840	2,290	128,192
Disposals	(10,955)	-	(7,572)	-	(18,527)
At 31 December 2016	124,372	133,488	472,766	92,223	822,849
Depreciation					
At 1 January 2016	59,241	111,658	260,692	64,616	496,207
Charge for year	13,069	11,209	38,585	6,495	69,358
Eliminated on disposal	(4,723)	-	(7,572)	-	(12,295)
At 31 December 2016	67,587	122,867	291,705	71,111	553,270
Net book value					
At 31 December 2016	56,785	10,621	181,061	21,112	269,579
At 31 December 2015	76,086	11,768	103,806	25,317	216,977

SAVOIR BEDS LIMITED

Notes to the Financial Statements - continued for the year ended 31 December 2016

5. Fixed asset investments

	Shares in group undertakings £
Cost	
At 1 January 2016	
and 31 December 2016	213,603
Net book value	
At 31 December 2016	213,603
At 31 December 2015	213,603

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Savoir Beds (Wales) Ltd

Registered office:

Nature of business: Manufacture and retail of beds

	%
Class of shares:	holding
Ordinary	100.00

Sarl Savoir Beds France

Registered office: France

Nature of business: Manufacture and retail of beds

	%
Class of shares:	holding
Ordinary	100.00

Savoir Beds Düsseldorf GmbH

Registered office: Germany

Nature of business: Manufacture and retail of beds

	%
Class of shares:	holding
Ordinary	100.00

6. Debtors: amounts falling due within one year

	2016	2015
	£	£
Trade debtors	483,875	424,393
Amounts owed by group undertakings	1,048,782	590,867
Other debtors	3,949	965
Prepayments	269,558	238,541
	<u>1,806,164</u>	<u>1,254,766</u>

SAVOIR BEDS LIMITED

Notes to the Financial Statements - continued
for the year ended 31 December 2016

7. Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	202,243	322,601
Trade creditors	567,855	520,607
Amounts owed to group undertakings	158,853	-
Taxation and social security	209,326	202,648
Other creditors	833,310	537,103
	<u>1,971,587</u>	<u>1,582,959</u>

The overdraft is secured by way of a floating charge over the company assets.

8. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016	2015
	£	£
Within one year	331,607	249,936
Between one and five years	1,009,004	969,957
In more than five years	-	167,291
	<u>1,340,611</u>	<u>1,387,184</u>

9. Provisions for liabilities

	2016	2015
	£	£
Deferred tax	<u>24,322</u>	<u>-</u>

	Deferred tax
	£
Provided during year	<u>24,322</u>
Balance at 31 December 2016	<u>24,322</u>

10. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
13,500	Ordinary	£1	13,500	13,500
1,500	Ordinary non voting	£1	1,500	1,500
			<u>15,000</u>	<u>15,000</u>

SAVOIR BEDS LIMITED

Notes to the Financial Statements - continued for the year ended 31 December 2016

11. Reserves

	Retained earnings £
At 1 January 2016	1,105,385
Profit for the year	385,382
Dividends	(35,000)
	<hr/>
At 31 December 2016	<u>1,455,767</u>

12. Disclosure under Section 444(5B) of the Companies Act 2006

The Report of the Auditors was unqualified.

Amilios Costa (Senior Statutory Auditor)
for and on behalf of Haines Watts

13. Directors' advances, credits and guarantees

The following advances and credits to directors subsisted during the years ended 31 December 2016 and 31 December 2015:

	2016 £	2015 £
Mr S M Winston and Mr A N Hughes		
Balance outstanding at start of year	(1,691)	(2,117)
Amounts advanced	10,427	10,426
Amounts repaid	(10,000)	(10,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(1,264)</u>	<u>(1,691)</u>

14. Related party disclosures

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

During the year, total dividends of £35,000 (2015 - £60,000) were paid to the directors.

During the year the company paid rent to Savoir Beds (Kings Road) Ltd of £91,616 (2015 £117,252) and was owed £Nil (2015 £21,781) by that company at the year end.

Cross guarantees have been given to HSBC and a debenture over the assets of the company relating to bank borrowings of Savoir Beds Limited, Savoir Beds (Wales) Ltd and Savoir Beds (Kings Road) Ltd which have the same directors and shareholders.

SAVOIR BEDS LIMITED

Notes to the Financial Statements - continued for the year ended 31 December 2016

15. First year adoption

The company has adopted FRS 102 for the year ended 31 December 2016, with the date of transition therefore being 1 January 2015.

On transition, management have considered the effect of any changes in accounting treatment from UK GAAP to FRS 102 for this company and have concluded that there are no material changes that warrant restatement of the comparative periods.

However the classification of intercompany loans due to and from group companies were reviewed and stated in the financial statements with regards to creditors due within less than one year. The disclosure of operating lease commitments now reflect the future minimum lease payments rather than the annual commitment.