

The Fireplace Gallery (Cheltenham) Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 August 2018

Devereux & Hunt Ltd
51 Basepoint Business Centre
Oakfield Close
Tewkesbury
Glos
GL20 8SD

The Fireplace Gallery (Cheltenham) Ltd

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The Fireplace Gallery (Cheltenham) Ltd

Company Information

Directors	N J Wilson C J Wilson
Registered office	18-19 Knightsbridge Business Centre Knightsbridge Green Knightsbridge Glos GL51 9TA
Accountants	Devereux & Hunt Ltd 51 Basepoint Business Centre Oakfield Close Tewkesbury Glos GL20 8SD

The Fireplace Gallery (Cheltenham) Ltd

(Registration number: 04700570)
Balance Sheet as at 31 August 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	<u>4</u>	75,000	90,000
Tangible assets	<u>5</u>	13,076	39,359
		<u>88,076</u>	<u>129,359</u>
Current assets			
Stocks	<u>6</u>	33,621	32,642
Debtors	<u>7</u>	11,658	12,924
Cash at bank and in hand		18,982	61,852
		64,261	107,418
Creditors: Amounts falling due within one year	<u>8</u>	(117,003)	(176,203)
Net current liabilities		(52,742)	(68,785)
Total assets less current liabilities		35,334	60,574
Creditors: Amounts falling due after more than one year	<u>8</u>	(6,733)	(19,686)
Provisions for liabilities		(5,764)	(5,764)
Net assets		<u>22,837</u>	<u>35,124</u>
Capital and reserves			
Called up share capital	<u>9</u>	108	108
Profit and loss account		22,729	35,016
Total equity		<u>22,837</u>	<u>35,124</u>

For the financial year ending 31 August 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 10 form an integral part of these financial statements.
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The Fireplace Gallery (Cheltenham) Ltd

(Registration number: 04700570)
Balance Sheet as at 31 August 2018

Approved and authorised by the Board on 29 May 2019 and signed on its behalf by:

.....

C J Wilson
Director

The notes on pages 4 to 10 form an integral part of these financial statements.

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The Fireplace Gallery (Cheltenham) Ltd

Notes to the Financial Statements for the Year Ended 31 August 2018

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
18-19 Knightsbridge Business Centre
Knightsbridge Green
Knightsbridge
Glos
GL51 9TA

These financial statements were authorised for issue by the Board on 29 May 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

The Fireplace Gallery (Cheltenham) Ltd

Notes to the Financial Statements for the Year Ended 31 August 2018

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and equipment	15% on cost
Fixtures and fittings	15% on cost
Motor vehicles	25% on cost

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	20 years straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

The Fireplace Gallery (Cheltenham) Ltd

Notes to the Financial Statements for the Year Ended 31 August 2018

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

The Fireplace Gallery (Cheltenham) Ltd

Notes to the Financial Statements for the Year Ended 31 August 2018

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 11 (2017 - 11).

The Fireplace Gallery (Cheltenham) Ltd

Notes to the Financial Statements for the Year Ended 31 August 2018

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 September 2017	300,000	300,000
At 31 August 2018	300,000	300,000
Amortisation		
At 1 September 2017	210,000	210,000
Amortisation charge	15,000	15,000
At 31 August 2018	225,000	225,000
Carrying amount		
At 31 August 2018	75,000	75,000
At 31 August 2017	90,000	90,000

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 September 2017	18,977	98,018	11,640	128,635
Additions	1,684	-	-	1,684
Disposals	(6,081)	(56,373)	(7,100)	(69,554)
At 31 August 2018	14,580	41,645	4,540	60,765
Depreciation				
At 1 September 2017	11,313	69,866	8,096	89,275
Charge for the year	1,931	6,988	647	9,566
Eliminated on disposal	(5,000)	(41,009)	(5,143)	(51,152)
At 31 August 2018	8,244	35,845	3,600	47,689
Carrying amount				
At 31 August 2018	6,336	5,800	940	13,076
At 31 August 2017	7,663	28,152	3,544	39,359

6 Stocks

Other inventories

2018	2017
£	£
33,621	32,642

The Fireplace Gallery (Cheltenham) Ltd

Notes to the Financial Statements for the Year Ended 31 August 2018

7 Debtors

	2018 £	2017 £
Trade debtors	6,659	9,066
Prepayments	4,999	3,593
Other debtors	-	265
	<u>11,658</u>	<u>12,924</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
Due within one year			
Bank loans and overdrafts	<u>10</u>	5,875	19,471
Trade creditors		25,161	42,051
Taxation and social security		11,625	17,575
Accruals and deferred income		1,550	2,600
Other creditors		<u>72,792</u>	<u>94,506</u>
		<u>117,003</u>	<u>176,203</u>

Creditors: amounts falling due after more than one year

	Note	2018 £	2017 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>6,733</u>	<u>19,686</u>

9 Share capital

Allotted, called up and fully paid shares

	2018 No.	£	2017 No.	£
Ordinary A shares of £1 each	100	100	100	100
Ordinary B shares of £1 each	8	8	8	8
	<u>108</u>	<u>108</u>	<u>108</u>	<u>108</u>

The Fireplace Gallery (Cheltenham) Ltd

Notes to the Financial Statements for the Year Ended 31 August 2018

10 Loans and borrowings

	2018	2017
	£	£
Non-current loans and borrowings		
Finance lease liabilities	<u>6,733</u>	<u>19,686</u>
Current loans and borrowings		
Finance lease liabilities	<u>5,875</u>	<u>19,471</u>

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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.