

REGISTERED NUMBER: 06285982 (England and Wales)

UTOPIA BATHROOM GROUP LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2015

Ormerod Rutter Limited
Statutory Auditor
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

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COMPANIES HOUSE

UTOPIA BATHROOM GROUP LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2015**

DIRECTORS:

Mr I W Hall
Mr M A Oldham
Mr D W Conn

SECRETARY:

St Pauls Secretaries Limited

REGISTERED OFFICE:

Utopia House
Springvale Avenue
Springvale Business Park
Bilston
West Midlands
WV14 0QL

REGISTERED NUMBER:

06285982 (England and Wales)

AUDITORS:

Ormerod Rutter Limited
Statutory Auditor
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30TH JUNE 2015**

The directors present their strategic report of the company and the group for the year ended 30th June 2015.

REVIEW OF BUSINESS

The results for the year and financial position of the group and company are shown in the financial statements.

Trading performance

The principal activity and strategic focus of the group remains the design and manufacture of bathroom furniture, a market where the group retains an excellent reputation for both the quality of its product and service delivery.

The group continues to perform robustly in what remain difficult conditions, as demonstrated by the rise in sales in FY15 to £14.7m (FY14 £14.5m). This rise in sales has been underpinned by a successful strategy focused on the development of new product ranges, retaining and growing existing customers, and developing new customer accounts. This strategy is expected to continue to deliver growth in future periods, with sales for FY16 already tracking ahead of prior year. Margins going forward are also expected to benefit from a programme of operational improvements being undertaken by management across the business to improve efficiency.

Key performance indicators (KPIs)

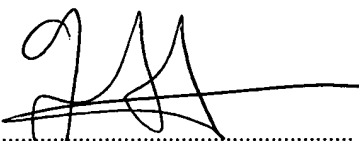
The group utilises a range of different KPI's at an operational level which are used by the management team to monitor performance on a regular basis. The main KPI's are as follows:

	2015 £'000	2014 £'000
- sales activity	14,709	14,537
- EBITDA (earnings before interest, taxation, depreciation and amortisation)	389	1,021
- working capital	1,835	2,185

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk for the group relates to the difficult general economic conditions and other performance of the construction and home improvement markets.

ON BEHALF OF THE BOARD:



Mr I W Hall - Director

Date: 14/3/2016

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH JUNE 2015**

The directors present their report with the financial statements of the company and the group for the year ended 30th June 2015.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the manufacture of bathroom furniture and sanitary ware.

The principal activity of the company was that of a holding company.

DIVIDENDS

No dividends will be distributed for the year ended 30th June 2015.

FUTURE DEVELOPMENTS

There are no significant anticipated future changes to the operations of the company.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st July 2014 to the date of this report.

Mr I W Hall
Mr M A Oldham
Mr D W Conn

EMPLOYEES

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made likely to affect their interests. Communication with all employees continues through newsletters and briefing groups.

The company continues to encourage employees to bring forward ideas to further enhance the capabilities of the company's performance.

The company adopts a policy of training its employees to ensure production and group efficiency.

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the group continues and the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

FINANCIAL RISK MANAGEMENT

The company's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk and liquidity risk.

Price risk

The company is exposed to commodity price risk, particularly for raw materials and distribution costs as a result of its operations. The company monitors these costs and takes corrective action when relevant.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers and ongoing review of credit levels for existing customers. These credit limits are amended where appropriate.

Liquidity risk

The company actively maintains long term debt finance that is designed to ensure the company has sufficient available funds for operations. The ongoing financing arrangements are regularly reviewed by the directors.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH JUNE 2015**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

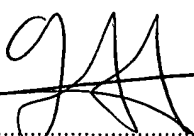
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Ormerod Rutter Limited, will be proposed for re-appointment in accordance with Section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:


.....
Mr I W Hall - Director

Date: 14/3/2016
.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UTOPIA BATHROOM GROUP LIMITED

We have audited the financial statements of Utopia Bathroom Group Limited for the year ended 30th June 2015 on pages seven to twenty five. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on pages three and four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30th June 2015 and of the group's loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
UTOPIA BATHROOM GROUP LIMITED**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Ormerod Rutter Ltd

Colm McGrory FCA (Senior Statutory Auditor)
for and on behalf of Ormerod Rutter Limited
Statutory Auditor
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Date: *25/3/16*

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 2015**

	Notes	2015 £'000	2014 £'000
TURNOVER	2	14,709	14,537
Cost of sales		<u>9,727</u>	<u>8,778</u>
GROSS PROFIT		4,982	5,759
<hr/>			
Goodwill amortisation		1,220	1,219
Other administration expenses		4,884	5,005
Administrative expenses		<u>6,104</u>	<u>6,224</u>
		(1,122)	(465)
Other operating income		<u>6</u>	<u>6</u>
OPERATING LOSS	5	(1,116)	(459)
Interest payable and similar charges	7	<u>145</u>	<u>156</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,261)	(615)
Tax on loss on ordinary activities	8	<u>(35)</u>	<u>(83)</u>
LOSS FOR THE FINANCIAL YEAR FOR THE GROUP		<u><u>(1,226)</u></u>	<u><u>(532)</u></u>

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the losses for the current year or previous year.

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**CONSOLIDATED BALANCE SHEET
30TH JUNE 2015**

	Notes	2015 £'000	2014 £'000
FIXED ASSETS			
Intangible assets	10	14,936	16,156
Tangible assets	11	936	534
Investments	12	-	-
		<u>15,872</u>	<u>16,690</u>
CURRENT ASSETS			
Stocks	13	1,369	1,348
Debtors	14	2,531	2,334
Cash at bank and in hand		<u>498</u>	<u>684</u>
		4,398	4,366
CREDITORS			
Amounts falling due within one year	15	<u>2,563</u>	<u>2,181</u>
NET CURRENT ASSETS		<u>1,835</u>	<u>2,185</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,707	18,875
CREDITORS			
Amounts falling due after more than one year	16	<u>(3,956)</u>	<u>(3,898)</u>
NET ASSETS		<u>13,751</u>	<u>14,977</u>
CAPITAL AND RESERVES			
Called up share capital	19	24,535	24,535
Share premium	20	1,705	1,705
Profit and loss account	20	<u>(12,488)</u>	<u>(11,262)</u>
	26	13,752	14,978
MINORITY INTERESTS	21	<u>(1)</u>	<u>(1)</u>
TOTAL EQUITY		<u>13,751</u>	<u>14,977</u>

The financial statements were approved by the Board of Directors on its behalf by:

14/3/2016 and were signed on

.....
Mr I W Hall - Director

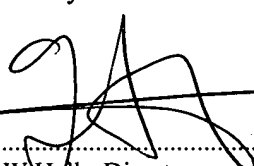
The notes form part of these financial statements

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**COMPANY BALANCE SHEET
30TH JUNE 2015**

	Notes	2015 £'000	2014 £'000
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	-	-
Investments	12	<u>22,253</u>	<u>22,253</u>
		22,253	22,253
CURRENT ASSETS			
Cash at bank		4	7
CREDITORS			
Amounts falling due within one year	15	<u>6,439</u>	<u>6,280</u>
NET CURRENT LIABILITIES		<u>(6,435)</u>	<u>(6,273)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		15,818	15,980
CREDITORS			
Amounts falling due after more than one year	16	<u>(3,434)</u>	<u>(3,489)</u>
NET ASSETS		<u>12,384</u>	<u>12,491</u>
CAPITAL AND RESERVES			
Called up share capital	19	24,535	24,535
Share premium	20	1,705	1,705
Profit and loss account	20	<u>(13,856)</u>	<u>(13,749)</u>
	26	<u>12,384</u>	<u>12,491</u>

The financial statements were approved by the Board of Directors on 14/3/2016 and were signed on its behalf by:


.....
Mr I W Hall - Director

The notes form part of these financial statements

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2015**

	Notes	2015 £'000	2014 £'000
Net cash inflow from operating activities	1	528	976
Returns on investments and servicing of finance	2	(145)	(156)
Taxation		-	73
Capital expenditure	2	<u>(694)</u>	<u>(79)</u>
		(311)	814
Financing	2	<u>125</u>	<u>(681)</u>
(Decrease)/increase in cash in the period		<u>(186)</u>	<u>133</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
(Decrease)/increase in cash in the period		(186)	133
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(125)</u>	<u>681</u>
Change in net debt resulting from cash flows		<u>(311)</u>	<u>814</u>
Movement in net debt in the period		(311)	814
Net debt at 1st July		<u>(3,391)</u>	<u>(4,205)</u>
Net debt at 30th June		<u>(3,702)</u>	<u>(3,391)</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2015

1. RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015	2014
	£'000	£'000
Operating loss	(1,116)	(459)
Depreciation and amortisation	1,512	1,499
Profit on disposal of fixed assets	(1)	(19)
(Increase)/decrease in stocks	(21)	229
(Increase)/decrease in debtors	(162)	401
Increase/(decrease) in creditors	<u>316</u>	<u>(675)</u>
Net cash inflow from operating activities	<u>528</u>	<u>976</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015	2014
	£'000	£'000
Returns on investments and servicing of finance		
Interest paid	(110)	(127)
Interest element of hire purchase payments	<u>(35)</u>	<u>(29)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(145)</u>	<u>(156)</u>
Capital expenditure		
Purchase of tangible fixed assets	(695)	(99)
Sale of tangible fixed assets	<u>1</u>	<u>20</u>
Net cash outflow for capital expenditure	<u>(694)</u>	<u>(79)</u>
Financing		
New finance lease loans	393	330
Finance lease capital	(209)	(281)
Repayment of related party loans	<u>(59)</u>	<u>(730)</u>
Net cash inflow/(outflow) from financing	<u>125</u>	<u>(681)</u>

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2015**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/7/14 £'000	Cash flow £'000	At 30/6/15 £'000
Net cash:			
Cash at bank and in hand	<u>684</u>	<u>(186)</u>	<u>498</u>
	<u>684</u>	<u>(186)</u>	<u>498</u>
Debt:			
Hire purchase	(583)	(184)	(767)
Debts falling due after one year	<u>(3,492)</u>	<u>59</u>	<u>(3,433)</u>
	<u>(4,075)</u>	<u>(125)</u>	<u>(4,200)</u>
Total	<u>(3,391)</u>	<u>(311)</u>	<u>(3,702)</u>

The notes form part of these financial statements

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2015**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The directors have a reasonable expectation that the company has adequate resources to continue to existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of consolidation

The financial statements consolidate the results of Utopia Bathroom Group Limited and its subsidiaries using the acquisition method of accounting. Any intra-group transactions, balances and intra-group profits are eliminated on consolidation. All subsidiary undertakings have a year end of 30th June.

Turnover

Turnover represents charges for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Turnover is recognised when the goods and services are delivered to the customer.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2008, is being amortised evenly over its estimated useful life of twenty years.

Fixed asset investments

Fixed asset investments in subsidiaries are included at cost less any provision for impairment which is considered necessary. Costs incurred directly in the acquisition of a subsidiary undertaking are included as a cost of investment.

Tangible fixed assets

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

Plant and machinery	- 50% on cost and 20% on cost
Fixtures and fittings	- 50% on cost and 33% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 50% on cost

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 items.

Cost includes all direct expenditure and an appropriate proportion of labour and fixed and variable production overheads.

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

1. ACCOUNTING POLICIES - continued

Corporation tax and deferred taxation

UK corporation tax is provided at amounts expected to be paid using tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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

Deferred tax assets are regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at an average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is provided in respect of all timing differences which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19 and is measured on a non-discounted basis.

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.

Pension costs and other post-retirement benefits

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

Government grants

Government grants are recognised in the profit and loss account so as to match them with the expenditure towards which they are intended to contribute. Grants received relating to contribution towards specific expenditure on fixed assets, are recognised in the profit and loss account over the expected useful economic lives of the fixed assets to which they relate. Grants received to give immediate financial support or to reimburse costs previously incurred are recognised in the profit and loss account in the period in which they become receivable.

Hire purchase and operating leases

Assets obtained under hire purchase contracts or finance leases are capitalised as tangible fixed assets and depreciated over the shorter of their useful economic life or the period of the lease. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payments are charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

2. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2015	2014
	£'000	£'000
United Kingdom	14,471	14,279
Europe	<u>238</u>	<u>258</u>
	<u>14,709</u>	<u>14,537</u>

3. STAFF COSTS

	2015	2014
	£'000	£'000
Wages and salaries	4,098	3,967
Social security costs	400	384
Other pension costs	<u>126</u>	<u>107</u>
	<u>4,624</u>	<u>4,458</u>

The average monthly number of employees during the year was as follows:

	2015	2014
Administration	53	52
Production	<u>113</u>	<u>111</u>
	<u>166</u>	<u>163</u>

4. DIRECTORS' EMOLUMENTS

	2015	2014
	£'000	£'000
Directors' remuneration	83	199
Directors' pension contributions to money purchase schemes	6	15
Compensation to director for loss of office	<u>-</u>	<u>30</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2015	2014
Money purchase schemes	<u>1</u>	<u>2</u>

Information regarding the highest paid director is as follows:

	2015	2014
	£'000	£'000
Emoluments etc	83	141
Pension contributions to money purchase schemes	<u>6</u>	<u>13</u>

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

5. OPERATING LOSS

The operating loss (2014 - operating loss) is stated after charging/(crediting):

	2015 £'000	2014 £'000
Depreciation - owned assets	165	168
Depreciation - assets on hire purchase contracts	128	112
Release of grants received for purchase of fixed assets	(7)	-
Profit on disposal of fixed assets	(1)	(19)
Goodwill amortisation	1,220	1,219
Operating lease rentals - plant and machinery	3	3
Operating lease rentals - buildings and other	<u>452</u>	<u>639</u>

6. AUDITORS' REMUNERATION

The operating profit is stated after auditors remunerations of:

	2015 £'000	2014 £'000
Audit of the financial statements	13	15
Corporation tax services	4	5
Other services provided	<u>13</u>	<u>4</u>
	<u>30</u>	<u>24</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £'000	2014 £'000
Bank interest	2	-
Bank loan interest	1	1
Related party loan interest	107	126
Hire purchase interest	<u>35</u>	<u>29</u>
	<u>145</u>	<u>156</u>

8. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	2015 £'000	2014 £'000
Current tax:		
UK corporation tax	-	1
Under/(over) provision in previous periods	<u>(1)</u>	<u>-</u>
Total current tax	(1)	1
Deferred tax	<u>(34)</u>	<u>(84)</u>
Tax on loss on ordinary activities	<u>(35)</u>	<u>(83)</u>

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

8. TAXATION - continued

Factors affecting the tax credit

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2015 £'000	2014 £'000
Loss on ordinary activities before tax	<u>(1,261)</u>	<u>(615)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%)	(252)	(123)
Effects of:		
Expenses not deductible for tax purposes	7	8
Depreciation in excess of capital allowances	130	182
Adjustments to tax charge in respect of previous periods	(1)	-
Other timing differences	-	(3)
Enhanced research and development claim	-	(65)
Taxable losses carried forward	<u>115</u>	<u>2</u>
Current tax credit	<u>(1)</u>	<u>1</u>

9. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £107,000 (2014 – loss of £125,000).

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill £'000	Patents and licences £'000	Totals £'000
COST			
At 1st July 2014 and 30th June 2015	<u>24,386</u>	<u>25</u>	<u>24,411</u>
AMORTISATION			
At 1st July 2014	8,230	25	8,255
Amortisation for year	<u>1,220</u>	<u>-</u>	<u>1,220</u>
At 30th June 2015	<u>9,450</u>	<u>25</u>	<u>9,475</u>
NET BOOK VALUE			
At 30th June 2015	<u>14,936</u>	<u>-</u>	<u>14,936</u>
At 30th June 2014	<u>16,156</u>	<u>-</u>	<u>16,156</u>

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

11. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Totals £'000
COST					
At 1st July 2014	6,683	1,145	158	590	8,576
Additions	583	81	27	4	695
Disposals	<u>(19)</u>	<u>(100)</u>	<u>(21)</u>	<u>-</u>	<u>(140)</u>
At 30th June 2015	<u>7,247</u>	<u>1,126</u>	<u>164</u>	<u>594</u>	<u>9,131</u>
DEPRECIATION					
At 1st July 2014	6,225	1,110	133	574	8,042
Charge for year	217	50	13	13	293
Eliminated on disposal	<u>(19)</u>	<u>(100)</u>	<u>(21)</u>	<u>-</u>	<u>(140)</u>
At 30th June 2015	<u>6,423</u>	<u>1,060</u>	<u>125</u>	<u>587</u>	<u>8,195</u>
NET BOOK VALUE					
At 30th June 2015	<u>824</u>	<u>66</u>	<u>39</u>	<u>7</u>	<u>936</u>
At 30th June 2014	<u>458</u>	<u>35</u>	<u>25</u>	<u>16</u>	<u>534</u>

The net book value of tangible fixed assets includes £643,000 (2014 - £326,000) in respect of assets held under hire purchase contracts.

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £'000
COST	
At 1st July 2014 and 30th June 2015	<u>31,296</u>
PROVISIONS	
At 1st July 2014 and 30th June 2015	<u>9,043</u>
NET BOOK VALUE	
At 30th June 2015	<u>22,253</u>
At 30th June 2014	<u>22,253</u>

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

12. FIXED ASSET INVESTMENTS - continued

Group subsidiary companies

The following companies are subsidiaries of the company or its subsidiary undertakings:

Company:	Country of incorporation:	Principal activity:
Utopia Group Limited	England and Wales	Intermediate holding company
Utopia Furniture Limited	England and Wales	Manufacture of bathroom furniture
Barrhead International Limited	Scotland	Intermediate holding company
Barrhead Sanitary Ware Limited	Scotland	Non-trading
Utopia Bathrooms Limited	England and Wales	Dormant
Kidsville Limited	England and Wales	Dormant
Dominion Plumbing Supplies Limited	England and Wales	Dormant
Leben Furniture Limited	England and Wales	Dormant
Leben Kitchens Limited	England and Wales	Dormant
Leben Bathrooms Limited	England and Wales	Dormant
Leben Bedrooms Limited	England and Wales	Dormant

The shareholding in the subsidiary undertakings is as follows:

Company:	Class of shares:	% holding (company)	% holding (group)
Utopia Group Limited	Ordinary shares	100	100
Utopia Furniture Limited	Ordinary A shares	-	100
Barrhead International Limited	Ordinary A shares	-	100
	Ordinary C shares	-	100
Barrhead Sanitary Ware Limited	Ordinary voting shares	-	100
	Ordinary non-voting shares	-	80
	Redeemable preference shares	-	100
Utopia Bathrooms Limited	Ordinary shares	-	100
Kidsville Limited	Ordinary shares	-	100
Dominion Plumbing Supplies Limited	Ordinary shares	-	100
Leben Furniture Limited	Ordinary A shares	-	100
Leben Kitchens Limited	Ordinary A shares	-	100
Leben Bathrooms Limited	Ordinary A shares	-	100
Leben Bedrooms Limited	Ordinary A shares	-	100

13. STOCKS

	Group	
	2015	2014
	£'000	£'000
Raw materials	1,049	1,071
Work-in-progress	160	152
Finished goods	160	125
	<u>1,369</u>	<u>1,348</u>

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2015	2014
	£'000	£'000
Trade debtors	1,792	1,615
Deferred tax asset	501	468
Prepayments	238	251
	<u>2,531</u>	<u>2,334</u>

	Group	
	2015	2014
	£'000	£'000
Deferred tax	<u>501</u>	<u>468</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Deferred tax asset

Group

The deferred tax asset as at 30th June 2015 comprises:

	Recognised		Unrecognised	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Accelerated capital allowances	118	260	-	-
Trading losses	381	206	532	511
Short term timing differences	<u>2</u>	<u>2</u>	<u>-</u>	<u>-</u>
	<u>501</u>	<u>468</u>	<u>532</u>	<u>511</u>

The movement in the deferred tax asset is as follows:

	Deferred tax £'000
As at 1st July 2014	468
Origination and reversal of timing differences credited to the profit and loss account	<u>33</u>
As at 30th June 2015	<u>501</u>

Company

The deferred tax asset comprises:

	Recognised		Unrecognised	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Trading losses	<u>-</u>	<u>-</u>	<u>532</u>	<u>511</u>
	<u>-</u>	<u>-</u>	<u>532</u>	<u>511</u>

Deferred tax assets are not recognised where their recoverability cannot be accurately foreseen in the short term future. Deferred tax assets will not be recognised unless the relevant company starts to made sufficient taxable profits that are is likely to exceed available taxable losses. The movement in unrecognised deferred tax assets in the year relate only to a change in corporation tax rate applied.

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Hire purchase contracts (see note 18)	244	177	-	-
Trade creditors	1,466	1,175	-	-
Amounts owed to group undertakings	-	-	6,430	6,280
Corporation tax	-	1	-	-
Social security and other taxes	109	109	-	-
VAT	150	191	-	-
Other creditors	80	-	-	-
Accruals and deferred income	421	528	9	-
Deferred government grants	<u>93</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,563</u>	<u>2,181</u>	<u>6,439</u>	<u>6,280</u>

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

Included in other creditors is £80,000 (2014 - £nil) secured by various fixed and floating charges over the company's assets and undertakings.

Deferred government grants relates to grants received relating to contribution towards specific expenditure on fixed assets, and are to be recognised in the profit and loss account over the expected useful economic lives of the fixed assets to which they relate.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Other loans (see note 17)	3,433	3,492	3,434	3,489
Hire purchase contracts (see note 18)	<u>523</u>	<u>406</u>	<u>-</u>	<u>-</u>
	<u>3,956</u>	<u>3,898</u>	<u>3,434</u>	<u>3,489</u>

Included in other loans are loans due to Halcon Properties Ltd of £3,434,000 (2014 - £3,492,000), which are secured by first fixed and floating charges over the company's assets and undertakings.

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Amounts falling due between one and two years:				
Other loans	<u>3,433</u>	<u>3,492</u>	<u>3,434</u>	<u>3,489</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

18. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	2015	2014
	£'000	£'000
Net obligations repayable:		
Within one year	244	177
Between one and five years	<u>523</u>	<u>406</u>
	<u>767</u>	<u>583</u>

The following operating lease payments are committed to be paid within one year:

Group

	Other operating leases	
	2015	2014
	£'000	£'000
Expiring:		
Within one year	74	10
Between one and five years	226	358
In more than five years	<u>5</u>	<u>2</u>
	<u>305</u>	<u>370</u>

These operating lease commitments relate to Utopia Furniture Limited only.

Amounts due under hire purchase contracts are secured over the assets to which they relate. In addition, of these amounts £679,000 (2014 - £495,000) are also secured by way of fixed and floating charges over the assets and undertaking of the company.

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015 £	2014 £
247,500	Ordinary A shares	£1.00	247,500	247,500
175,999	Ordinary B shares	£1.00	175,999	175,999
126,500	Ordinary C shares	£0.01	1,265	1,265
16,859,776	Ordinary D shares	£1.00	16,859,776	16,859,776
7,250,000	Preferred ordinary shares	£1.00	<u>7,250,000</u>	<u>7,250,000</u>
			<u>24,534,540</u>	<u>24,534,540</u>

On return of capital on winding up but not otherwise, the assets of the company available for distribution to the holders of the ordinary A shares, ordinary B shares, ordinary C shares, ordinary D shares and preferred ordinary shares shall be applied:

- First, in redeeming at nominal value all of the preferred ordinary shares;
- Second, in paying to the holders of the preferred ordinary shares (pari passu as A class) a distribution in the sum of £50,000;
- Third, in paying to the ordinary A shareholders a sum equal to any arrears or accruals of the dividends on the ordinary A shares calculated to the date of the return of capital;
- Fourth, in paying to the ordinary A shareholders a sum equal to the subscription price for each share;
- Fifth, in paying to the ordinary B shareholders a sum equal to the subscription price for each such share ratably amongst them;
- Sixth, the balance of such sums up to £80,000,000 shall be distributed amongst the ordinary A shareholders, and ordinary B shareholders (pari passu as if the same constituted one class of share);
- Seventh, in paying to the ordinary D shareholders the sum of £1 per share;
- Eighth, the balance of such assets shall be distributed amongst the ordinary A shareholders, ordinary B shareholders and ordinary C shareholders (pari passu as if the same constituted one class of share).

20. RESERVES

Group

	Profit and loss account £'000	Share premium £'000	Totals £'000
At 1st July 2014	(11,262)	1,705	(9,557)
Deficit for the year	<u>(1,226)</u>	<u>-</u>	<u>(1,226)</u>
At 30th June 2015	<u>(12,488)</u>	<u>1,705</u>	<u>(10,783)</u>

Company

	Profit and loss account £'000	Share premium £'000	Totals £'000
At 1st July 2014	(13,749)	1,705	(12,044)
Deficit for the year	<u>(107)</u>	<u>-</u>	<u>(107)</u>
At 30th June 2015	<u>(13,856)</u>	<u>1,705</u>	<u>(12,151)</u>

A share premium reserve of £1,705,000 was created on the refinancing of the business in July 2009.

UTOPIA BATHROOM GROUP LIMITED (REGISTERED NUMBER: 06285982)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

21. MINORITY INTERESTS

Minority interests relate to 87,740 ordinary non-voting shares in Barrhead Sanitary Ware Limited, largely held by former employees of the business.

22. PENSION COMMITMENTS

The company participates in a defined contribution pension scheme for its directors and employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Employer pension contributions for the year amounted to £126,000 (2014 - £107,000). Accrued employer pension contributions amounted to £10,000 at the year end (2014 - £13,000).

23. CAPITAL COMMITMENTS

	2015 £'000	2014 £'000
Contracted but not provided for in the financial statements	<u>-</u>	<u>450</u>

These capital commitments relate to Utopia Furniture Limited only.

24. RELATED PARTY DISCLOSURES

Mr I. Hall and Mr D. Conn each have a significant shareholding in the ultimate parent company, Utopia Bathroom Group Limited, as well as significant interest in Halcon Properties Limited, IDM Design Partnership and IH Business Consultancy.

Halcon Properties Limited

During the year the company incurred expenses from Halcon Properties Limited amounting to £159,000 (2014 £344,000).

During the year the company received use of a long term secured loan from Halcon Properties Limited. Interest of £107,000 (2014 - £126,000) was charged on this loan.

	2015 £'000	2014 £'000
Amount due to related party at the balance sheet date	<u>3,446</u>	<u>3,492</u>

IDM Partnership

During the year the company incurred expenses from IDM Partnership amounting to £155,000 (2014 - £133,000).

	2015 £'000	2014 £'000
Amount due to related party at the balance sheet date	<u>17</u>	<u>15</u>

IH Business Consultancy

During the year the company incurred expenses from IH Business Consultancy amounting to £23,000 (2014 - £20,000).

	2015 £'000	2014 £'000
Amount due to related party at the balance sheet date	<u>2</u>	<u>-</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2015**

25. ULTIMATE CONTROLLING PARTY

No shareholder owns more than 50% of the share capital and therefore the directors are of the opinion that there is no ultimate controlling party.

26. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

Group

	2015 £'000	2014 £'000
Loss for the financial year	<u>(1,226)</u>	<u>(532)</u>
Net reduction of reserves	(1,226)	(532)
Opening reserves	<u>14,978</u>	<u>15,510</u>
Closing reserves	<u><u>13,752</u></u>	<u><u>14,978</u></u>

Company

	2015 £'000	2014 £'000
Loss for the financial year	<u>(107)</u>	<u>(126)</u>
Net reduction of reserves	(107)	(126)
Opening reserves	<u>12,491</u>	<u>12,617</u>
Closing reserves	<u><u>12,384</u></u>	<u><u>12,491</u></u>