

Registration number 06911352

G.H. Frith (Bodelwyddan) Limited
Directors' report and unaudited financial statements
for the year ended 31st May 2011



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G.H. Frith (Bodelwyddan) Limited

Company information

Directors	A W Frith R Mainwaring (nee Roberts) M Frith
Secretary	R Mainwaring (nee Roberts)
Company number	06911352
Registered office	Kaydon House Kinmel Park Bodelwyddan Denbighshire LL18 5TY
Accountants	Harding Lewis Limited 34 Athol Street Douglas Isle of Man IM1 1JB
Business address	Kaydon House Kinmel Park Bodelwyddan Denbighshire LL18 5TY
Bankers	NatWest Bank

G.H. Frith (Bodelwyddan) Limited

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G.H. Frith (Bodelwyddan) Limited

**Directors' report
for the year ended 31st May 2011**

The directors present their report and the financial statements for the year ended 31st May 2011

Principal activity

The principal activity of the company is the retail supply of oriental rugs and carpets and furnishings. The company operates from premises in Bodelwyddan under the trading name 'Frith Rugs'.

Trading commenced on 1 June 2010 under a licence agreement with the parent company G H Frith Holdings Limited. The trade was previously undertaken by a fellow subsidiary company G H Frith Limited which ceased trading on 31 May 2010.

Directors

The directors who served during the year are as stated below:

A W Frith

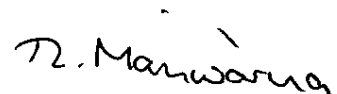
R Mainwaring (nee Roberts)

M Frith

The directors were not appointed on incorporation as these positions were temporarily held by officers of the incorporation agent.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

This report was approved by the Board on ~~25th Sept 2011~~ and signed on its behalf by



R Mainwaring (nee Roberts)

Secretary

Registration number 06911352

G.H. Frith (Bodelwyddan) Limited

**Accountants' report to the Board of Directors on the
unaudited financial statements of G.H. Frith (Bodelwyddan) Limited**

In accordance with the engagement letter dated 16th June 2009, and in order to assist you to fulfil your duties under the Companies Act 2006, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the company's board of directors in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so and state those matters that we have agreed to state to them in this 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 board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31st May 2011 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Hardy Lewis Limited

**Harding Lewis Limited
Chartered Accountants**

14 November 2011

**34 Athol Street
Douglas
Isle of Man IM1 1JB**

G.H. Frith (Bodelwyddan) Limited

**Profit and loss account
for the year ended 31st May 2011**

		Period ended 31/05/11	Period 20/5/09 to 31/05/10
	Notes	£	£
Turnover	2	1,620,920	-
Cost of sales		(648,670)	-
Gross profit		<u>972,250</u>	<u>-</u>
Administrative expenses		(890,661)	(14)
Profit/(loss) on ordinary activities before taxation		<u>81,589</u>	<u>(14)</u>
Tax on profit/(loss) on ordinary activities	6	(15,597)	-
Profit/(loss) for the year	11	<u>65,992</u>	<u>(14)</u>
Accumulated (loss)/profit brought forward		(14)	-
Retained profit/(loss) carried forward		<u><u>65,978</u></u>	<u><u>(14)</u></u>

The notes on pages 6 to 10 form an integral part of these financial statements.

G.H. Frith (Bodelwyddan) Limited

**Balance sheet
as at 31st May 2011**

	Notes	31/05/11		31/05/10	
		£	£	£	£
Fixed assets					
Tangible assets	7		7,794		1,348
Current assets					
Debtors	8	637,458		30,802	
Cash at bank and in hand		32,757		10,580	
		<u>670,215</u>		<u>41,382</u>	
Creditors: amounts falling due within one year	9	<u>(612,030)</u>		<u>(42,743)</u>	
Net current assets/(liabilities)			<u>58,185</u>		<u>(1,361)</u>
Total assets less current liabilities			<u>65,979</u>		<u>(13)</u>
Net assets/(liabilities)			<u><u>65,979</u></u>		<u><u>(13)</u></u>
Capital and reserves					
Called up share capital	10		1		1
Profit and loss account	11		65,978		(14)
Shareholders' funds			<u><u>65,979</u></u>		<u><u>(13)</u></u>

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet

The notes on pages 6 to 10 form an integral part of these financial statements.

G.H. Frith (Bodelwyddan) Limited

Balance sheet (continued)


**Directors' statements required by Sections 475(2) and (3)
for the year ended 31st May 2011**

In approving these financial statements as directors of the company we hereby confirm.

- (a) that for the year stated above the company was entitled to the exemption conferred by Section 477 of the Companies Act 2006 ,
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 31st May 2011 , and
- (c) that we acknowledge our responsibilities for
 - (1) ensuring that the company keeps accounting records which comply with Section 386 , and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies

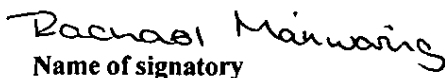
The financial statements were approved by the Board on ~~29th Sept 2011~~ and signed on its behalf by



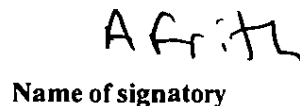
Director - signature



Director - signature



Name of signatory



Name of signatory

Registration number 06911352

The notes on pages 6 to 10 form an integral part of these financial statements.

G.H. Frith (Bodelwyddan) Limited

Notes to the financial statements for the year ended 31st May 2011

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2. Turnover

Turnover represents the amounts receivable from sales net of Value Added Tax during the period

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Fixtures, fittings

and equipment

- 10%-25% Reducing balance from start of trading

1.4. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

1.5. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

G.H. Frith (Bodelwyddan) Limited

**Notes to the financial statements
for the year ended 31st May 2011**

. continued

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

3. Operating profit/(loss)

Operating profit/(loss) is stated after charging
Depreciation and other amounts written off tangible assets

Period ended 31/05/11	Period 20/5/09 31/05/10
£	£
<u>866</u>	<u>-</u>

4. Directors' remuneration

Remuneration and other benefits

Period ended 31/05/11	Period 20/5/09 31/05/10
£	£
<u>1,568</u>	<u>-</u>

5. Pension costs

The company makes contributions to an employee defined contribution scheme. The pension charge represents contributions due from the company and amounted to £1,568 (2010 - £-)

6. Tax on profit/(loss) on ordinary activities

Analysis of charge in period

Current tax
UK corporation tax

Period ended 31/05/11	Period 20/5/09 31/05/10
£	£
<u>15,597</u>	<u>-</u>

G.H. Frith (Bodelwyddan) Limited

**Notes to the financial statements
for the year ended 31st May 2011**

continued

7. Tangible fixed assets	Fixtures & fittings £	Total £
Cost		
At 1st June 2010	1,348	1,348
Additions	7,312	7,312
At 31st May 2011	<u>8,660</u>	<u>8,660</u>
Depreciation		
Charge for the year	866	866
At 31st May 2011	<u>866</u>	<u>866</u>
Net book values		
At 31st May 2011	<u>7,794</u>	<u>7,794</u>
At 31st May 2010	<u>1,348</u>	<u>1,348</u>
8. Debtors	31/05/11 £	31/05/10 £
Trade debtors	21,566	599
Amounts owed by group undertakings	591,253	-
Other debtors	-	6,336
Prepayments and accrued income	24,639	23,867
	<u>637,458</u>	<u>30,802</u>

The amounts owed by group undertakings were due from the following companies

GH Frith Holdings Limited £526,657 (2010 £-)

GH Frith (Swindon) Limited £64,596 (2010 £-)

The loan balances are unsecured and interest free

G.H. Frith (Bodelwyddan) Limited

**Notes to the financial statements
for the year ended 31st May 2011**

continued

9. Creditors: amounts falling due within one year	31/05/11 £	31/05/10 £
Trade creditors	296,365	24,480
Amounts owed to group undertaking	-	16,178
Corporation tax	15,597	-
Other taxes and social security costs	32,401	-
Directors' accounts	-	15
Accruals and deferred income	267,667	2,070
	<u>612,030</u>	<u>42,743</u>

The amount due to group undertaking was payable to GH Frith Limited, a fellow subsidiary of GH Frith Holdings Limited. The loan is unsecured, interest free and repayable on demand.

The director's account was unsecured, interest free and repayable on demand.

Included in trade creditors is an amount of £262,940 (31st May 2010 £NIL) due from the parent company.

Included in accruals is an amount of £266,924 due to GH Frith Holdings Limited.

10. Share capital	31/05/11 £	31/05/10 £
Authorised		
1,000 Ord shares of 1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1 Ord shares of 1 each	<u>1</u>	<u>1</u>
Equity Shares		
1 Ord shares of 1 each	<u>1</u>	<u>1</u>

G.H. Frith (Bodelwyddan) Limited

**Notes to the financial statements
for the year ended 31st May 2011**

continued

11. Reserves	Profit and loss account £	Total £
At 1st June 2010	(14)	(14)
Profit for the year	65,992	65,992
At 31st May 2011	<u>65,978</u>	<u>65,978</u>

13. Related party transactions

All stock is purchased from and management charges are payable to GH Frith Holdings Limited, the parent company. Balances with related parties are disclosed in the notes to the financial statements.

14. Ultimate parent undertaking

The parent company is G H Frith Holdings Limited, a company incorporated in the England. The Directors of G H Frith (Bodelwyddan) Limited are shareholders in this company.

15. Controlling interest

There is no single ultimate controlling party.

G.H. Frith (Bodelwyddan) Limited

**Detailed trading profit and loss account
for the year ended 31st May 2011**

	Period ended 31/05/11		Period 20/5/09 to 31/05/10	
	£	£	£	£
Sales				
Sales		1,620,920		-
		<u>1,620,920</u>		<u>-</u>
Cost of sales				
Purchases	648,670		-	
		<u>(648,670)</u>		<u>-</u>
Gross profit	60%	972,250	-%	-
Administrative expenses	890,661		14	
		<u>(890,661)</u>		<u>(14)</u>
Operating profit/(loss)	5%	81,589	-%	<u>(14)</u>
		<u><u>81,589</u></u>		<u><u>(14)</u></u>

G.H. Frith (Bodelwyddan) Limited

**Administrative expenses
for the year ended 31st May 2011**

	Period ended 31/05/11 £	Period 20/5/09 31/05/10 £
Administrative expenses		
Wages and national insurance	201,836	-
Pension costs	1,568	-
Management charges	566,000	-
Commissions payable	959	-
Rent and rates	55,619	-
Insurance	4,020	-
Light and heat	8,068	-
Repairs and renewals	6,136	-
Printing, postage and stationery	16,477	-
Advertising	50	-
Telephone	3,817	-
Legal and professional	15	-
Bank and other charges	413	-
Credit card charges	13,915	-
Discounts allowed	3	-
General expenses	10,899	14
Depreciation on FF & Equipment	866	-
	<u>890,661</u>	<u>14</u>