

Company registration number 07446588 (England and Wales)

QUILIGOTTI TERRAZZO TILES LIMITED

Financial Statements

For The Year Ended 31 December 2021

Pages For Filing With Registrar

QUILIGOTTI TERRAZZO TILES LIMITED

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QUILIGOTTI TERRAZZO TILES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Stocks		497,286		463,177	
Debtors	4	471,715		413,531	
Cash at bank and in hand		523,783		746,146	
		<u>1,492,784</u>		<u>1,622,854</u>	
Creditors: amounts falling due within one year	5	<u>(642,983)</u>		<u>(677,788)</u>	
Net current assets			849,801		945,066
Creditors: amounts falling due after more than one year	7		<u>(66,090)</u>		<u>(105,874)</u>
Net assets			<u>783,711</u>		<u>839,192</u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			<u>783,710</u>		<u>839,191</u>
Total equity			<u>783,711</u>		<u>839,192</u>

The directors of the company have elected not to include a copy of the Directors' Report and profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 1 June 2022 and are signed on its behalf by:

Mr D M Clough
Director

Company Registration No. 07446588

QUILIGOTTI TERRAZZO TILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Quiligotti Terrazzo Tiles Limited is a limited company domiciled and incorporated in England and Wales. The registered office is Unit 1 Rake Lane, PO Box 4, Clifton Junction, Manchester, M27 8LP.

1.1 Accounting convention

These financial statements have been prepared in accordance with "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the disclosure exemptions of Section 33.1A of FRS 102 which permit it to not present details of its transactions with members of the group, on the grounds that those entities are related by virtue having the same control as defined by 33.11(b).

The ultimate parent company is A. Andrews & Sons (Marbles & Tiles) Limited which is the smallest and largest group into which these financial statements are consolidated. A. Andrews & Sons (Marbles & Tiles) Limited has a registered office of 324-330 Meanwood Road, Leeds, LS7 2JE.

1.2 Going concern

The directors have considered all factors, including in the wider economy, as part of their assessment of going concern. Although the current economic climate creates both cashflow and profitability risks for the company, the directors believe on balance that they have sufficient resources to enable trading to continue for a period of at least one year from the date of approval of the financial statements, on the basis of information currently available to them as at the point of approving these. Accordingly, these financial statements have been prepared on the going concern basis.

1.3 Turnover

Turnover represents amounts receivable for terrazzo flooring products net of VAT and trade discounts, and is recognised on delivery of goods.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

QUILIGOTTI TERRAZZO TILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

QUILIGOTTI TERRAZZO TILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

QUILIGOTTI TERRAZZO TILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Bad debt provision

Outstanding trade debtor balances are reviewed on a line by line basis by management to identify possible amounts where a provision is required. Management closely manage the collection of trade debtors and are therefore able to identify balances where there is uncertainty about its recoverability, and determine what provision is required (if any).

Stock provision

At each reporting date an assessment is made for provisions required to properly recognise wastage, damaged goods and over absorbed overheads. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss and provided for in the balance sheet. Reversals of impairment losses are also recognised in profit or loss where these arise.

QUILIGOTTI TERRAZZO TILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2021**

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Total	28	27
	<u> </u>	<u> </u>

4 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	273,830	250,142
Amounts owed by group undertakings	151,383	139,429
Other debtors	46,502	23,960
	<u> </u>	<u> </u>
	471,715	413,531
	<u> </u>	<u> </u>

5 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	323,380	297,501
Taxation and social security	131,006	176,688
Other creditors	188,597	203,599
	<u> </u>	<u> </u>
	642,983	677,788
	<u> </u>	<u> </u>

Within other creditors is a balance of £87,220 (2020 - £71,676) relating to hire purchase liabilities, which are secured against assets held by the immediate parent company, Kengate Holdings Limited.

6 Finance lease obligations

	2021	2020
	£	£
Future minimum lease payments due under finance leases:		
Within one year	92,124	75,276
In two to five years	69,990	106,641
	<u> </u>	<u> </u>
	162,114	181,917
Less: future finance charges	(8,804)	(2,715)
	<u> </u>	<u> </u>
	153,310	179,202
	<u> </u>	<u> </u>

QUILIGOTTI TERRAZZO TILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Finance lease obligations

(Continued)

Finance lease payments represent rentals payable by the company for certain items of plant and machinery held by Quiligotti Terrazzo Tiles Limited's immediate parent company, Kengate Holdings Limited.

Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

7 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	66,090	105,874

Other creditors include finance leases which are disclosed in note 6.

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021 £	2020 £
	70,783	81,660

9 Related party transactions

Amounts due to related group companies are shown within note 4 and 5.

10 Parent company

The immediate parent company is Kengate Holdings Limited, a company registered in England and Wales with registered office of 324-330 Meanwood Road, Leeds, England, LS7 2JE.

The ultimate parent company is A. Andrews & Sons (Marbles & Tiles) Limited, a company registered in England and Wales with registered office of 324-330 Meanwood Road, Leeds, LS7 2JE. A. Andrews & Sons (Marbles & Tiles) Limited is the smallest and largest group into which the company is consolidated.

11 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

QUILIGOTTI TERRAZZO TILES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2021***

11 Audit report information

(Continued)

The senior statutory auditor was Matthew Grant.
The auditor was Azets Audit Services Limited.
The audit report was signed on 1 June 2022

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.