

IMPORTED FLOORS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2020

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Current assets			
Stocks	4	99,346	27,533
Debtors: amounts falling due within one year	5	436,403	459,443
Cash at bank and in hand	6	16,755	19,602
		<u>552,504</u>	<u>506,578</u>
Creditors: amounts falling due within one year	7	(435,543)	(412,761)
		<u>116,961</u>	<u>93,817</u>
Net current assets			
		<u>116,961</u>	<u>93,817</u>
Net assets			
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account	8	115,961	92,817
		<u>116,961</u>	<u>93,817</u>
Shareholder's fund			
		<u>116,961</u>	<u>93,817</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

H Kalani
Director

Date: 29 April 2021

The notes on pages 2 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. General information

Imported Floors Limited is a private company limited by shares incorporated in England and Wales within the United Kingdom. The address of the registered office is given in the company's information page of these financial statements. The nature of the company's operations and principal activity is the import and re-sale of natural stone.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The following principal accounting policies have been applied:

2.2 Going concern

These financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the Company's assets to net realisable value. Provision has also been made for any contractual commitments that have become onerous at the Balance sheet date. The financial statements do not include any provision for the future costs of terminating the business of the Company except to the extent that such costs were committed at the Balance sheet date.

The directors do not consider that there would be any material differences to the reported results of the Company if the going concern basis of preparation had been applied to these financial statements.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)**2.4 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.7 Financial instruments (continued)

at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP, and these financial statements are rounded to the nearest pound.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.10 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2019 - 2).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. Stocks

	2020 £	2019 £
Goods for resale	99,346	27,533
	<u>99,346</u>	<u>27,533</u>

5. Debtors

	2020 £	2019 £
Trade debtors	350,272	339,194
Amounts owed by group undertakings	32,971	109,632
Other debtors	53,160	10,617
	<u>436,403</u>	<u>459,443</u>

6. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	16,755	19,602
	<u>16,755</u>	<u>19,602</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	240,000	72,010
Amounts owed to group undertakings	187,632	340,751
Corporation tax	7,911	-
	<u>435,543</u>	<u>412,761</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

8. Reserves

Profit and loss account

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

9. Related party transactions

The company has taken the exemption available in FRS102.1A.35 and not disclosed balances and transactions entered into between two or more members of the group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member. The company has also taken advantage of the exemption under FRS102 1A not to disclose transactions with related parties that are made on normal commercial terms.

As at 31 March 2020 £412 (2019: £412) was due to the director H Kalani.

10. Controlling party

The ultimate parent undertaking is Shree Agencies Pvt. Limited, a company incorporated in India.

There is no ultimate controlling party.

11. Auditor's information

The auditor's report on the financial statements for the year ended 31 March 2020 was qualified.

The qualification in the audit report was as follows:

The Company's stock at 31 March 2020 included an amount of £29,909 where we were unable to observe the counting of physical stocks as a result of public health measures arising from the COVID-19 pandemic.

We were unable to satisfy ourselves by alternative means concerning this stock quantity held at 31 March 2020 by using other audit procedures.

Consequently we were unable to determine whether any adjustment to this amount was necessary.

An emphasis of matter given was as follows:

We draw attention to Note 2.2 to the financial statements which explains that the directors intend to liquidate the Company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 2.2. Our opinion is not modified in this respect of this matter.

The audit report was signed on 30 April 2021 by Yogan Patel FCA (Senior Statutory Auditor) (Senior statutory auditor) on behalf of MHA MacIntyre Hudson.

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.