

# A & L Furnishings Limited

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

Kingham Accountants Limited  
Chartered Accountants  
161 College Street  
St Helens  
Merseyside  
WA10 1TY

# **A & L Furnishings Limited**

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# **A & L Furnishings Limited**

## **Company Information**

<b>Directors</b>	Mr Ian McManus Mrs Jacqueline McManus
<b>Registered office</b>	2 Centurion Industrial Estate Farington Old Mill Centurion Way Leyland Lancashire PR25 4GU
<b>Accountants</b>	Kingham Accountants Limited Chartered Accountants 161 College Street St Helens Merseyside WA10 1TY

**Chartered Accountants' Report to the Board of Directors on the Preparation of the Unaudited  
Statutory Accounts of  
A & L Furnishings Limited  
for the Year Ended 31 March 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of A & L Furnishings Limited for the year ended 31 March 2018 as set out on pages 3 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of A & L Furnishings Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of A & L Furnishings Limited and state those matters that we have agreed to state to the Board of Directors of A & L Furnishings Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A & L Furnishings Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that A & L Furnishings Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of A & L Furnishings Limited. You consider that A & L Furnishings Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of A & L Furnishings Limited. 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 statutory accounts.

.....  
Kingham Accountants Limited  
Chartered Accountants  
161 College Street  
St Helens  
Merseyside  
WA10 1TY

10 May 2018

# A & L Furnishings Limited

## Profit and Loss Account for the Year Ended 31 March 2018

	Note	Total 31 March 2018 £	Total 31 March 2017 £
Turnover		1,660,496	1,925,300
Cost of sales		<u>(1,162,426)</u>	<u>(1,262,267)</u>
Gross profit		498,070	663,033
Administrative expenses		(431,103)	(334,488)
Other operating income		<u>32</u>	<u>105</u>
Operating profit		<u>66,999</u>	<u>328,650</u>
Other interest receivable and similar income		<u>46</u>	<u>-</u>
		<u>46</u>	<u>-</u>
Profit before tax		67,045	328,650
Taxation		<u>(20,537)</u>	<u>(76,241)</u>
Profit for the financial year		<u><u>46,508</u></u>	<u><u>252,409</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

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

**A & L Furnishings Limited**  
**(Registration number: 08583175)**  
**Balance Sheet as at 31 March 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	148,958	176,458
Tangible assets	<u>5</u>	<u>87,783</u>	<u>101,336</u>
		<u>236,741</u>	<u>277,794</u>
<b>Current assets</b>			
Stocks	<u>6</u>	161,457	135,902
Debtors	<u>7</u>	333,301	351,039
Cash at bank and in hand		<u>260,604</u>	<u>350,882</u>
		755,362	837,823
<b>Creditors:</b> Amounts falling due within one year	<u>8</u>	<u>(167,947)</u>	<u>(337,969)</u>
<b>Net current assets</b>		<u>587,415</u>	<u>499,854</u>
<b>Net assets</b>		<u>824,156</u>	<u>777,648</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>824,056</u>	<u>777,548</u>
Total equity		<u>824,156</u>	<u>777,648</u>

For the financial year ending 31 March 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 6 to 10 form an integral part of these financial statements.

**A & L Furnishings Limited**

**(Registration number: 08583175)**  
**Balance Sheet as at 31 March 2018**

Approved and authorised by the Board on 10 May 2018 and signed on its behalf by:

.....

Mr Ian McManus

Director

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

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# **A & L Furnishings Limited**

## **Notes to the Financial Statements for the Year Ended 31 March 2018**

### **1 General information**

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

The address of its registered office is:

2 Centurion Industrial Estate  
Farington Old Mill  
Centurion Way  
Leyland  
Lancashire  
PR25 4GU

These financial statements were authorised for issue by the Board on 10 May 2018.

### **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.

#### **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.

#### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Furniture, Fittings & Equipment	25% reducing balance
Motor vehicles	25% reducing balance

#### **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.

## **A & L Furnishings Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2018**

#### **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:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	10% 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.

#### **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.

## A & L Furnishings Limited

### Notes to the Financial Statements for the Year Ended 31 March 2018

#### 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.

#### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 36 (2017 - 34).

#### 4 Intangible assets

	<b>Goodwill</b> <b>£</b>	<b>Total</b> <b>£</b>
<b>Cost or valuation</b>		
At 1 April 2017	275,000	275,000
At 31 March 2018	275,000	275,000
<b>Amortisation</b>		
At 1 April 2017	98,542	98,542
Amortisation charge	27,500	27,500
At 31 March 2018	126,042	126,042
<b>Carrying amount</b>		
At 31 March 2018	148,958	148,958
At 31 March 2017	176,458	176,458

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2017 - £Nil).

# A & L Furnishings Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

### 5 Tangible assets

	<b>Furniture, fittings and equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 April 2017	177,720	21,545	199,265
Additions	15,709	-	15,709
At 31 March 2018	193,429	21,545	214,974
<b>Depreciation</b>			
At 1 April 2017	90,523	7,406	97,929
Charge for the year	25,727	3,535	29,262
At 31 March 2018	116,250	10,941	127,191
<b>Carrying amount</b>			
At 31 March 2018	77,179	10,604	87,783
At 31 March 2017	87,197	14,139	101,336

### 6 Stocks

	<b>2018 £</b>	<b>2017 £</b>
Work in progress	29,074	28,559
Other inventories	132,383	107,343
	161,457	135,902

### 7 Debtors

	<b>2018 £</b>	<b>2017 £</b>
Trade debtors	332,670	350,439
Other debtors	631	600
Total current trade and other debtors	333,301	351,039

### 8 Creditors

# A & L Furnishings Limited

## Notes to the Financial Statements for the Year Ended 31 March 2018

	Note	2018 £	2017 £
<b>Due within one year</b>			
Bank loans and overdrafts	9	-	41,667
Trade creditors		62,769	91,767
Taxation and social security		57,548	64,439
Other creditors		47,630	140,096
		<u>167,947</u>	<u>337,969</u>

### 9 Loans and borrowings

	2018 £	2017 £
<b>Current loans and borrowings</b>		
Other borrowings	-	41,667

### 10 Dividends

#### Final dividends paid

	2018 £	2017 £
Final dividend of £0 (2017 - £590) per each Ordinary share	-	59,000

# A & L Furnishings Limited

## Detailed Profit and Loss Account for the Year Ended 31 March 2018

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
Turnover (analysed below)	1,660,496	1,925,300
Cost of sales (analysed below)	<u>(1,162,426)</u>	<u>(1,262,267)</u>
Gross profit	<u>498,070</u>	<u>663,033</u>
Gross profit (%)	30%	34.44%
<b>Administrative expenses</b>		
Employment costs (analysed below)	(102,912)	(92,118)
Establishment costs (analysed below)	(155,311)	(154,507)
General administrative expenses (analysed below)	(113,561)	(25,236)
Finance charges (analysed below)	(2,557)	(1,349)
Depreciation costs (analysed below)	<u>(56,762)</u>	<u>(61,278)</u>
	(431,103)	(334,488)
Other operating income (analysed below)	<u>32</u>	<u>105</u>
Operating profit	66,999	328,650
Other interest receivable and similar income (analysed below)	<u>46</u>	<u>-</u>
Profit before tax	<u><u>67,045</u></u>	<u><u>328,650</u></u>

This page does not form part of the statutory financial statements.

# A & L Furnishings Limited

## Detailed Profit and Loss Account for the Year Ended 31 March 2018

	2018 £	2017 £
<b>Turnover</b>		
Sales, UK	1,658,996	1,919,245
Grants and subsidies receivable	1,500	6,055
	<u>1,660,496</u>	<u>1,925,300</u>
<b>Cost of sales</b>		
Opening stock	107,343	124,412
Opening work in progress	28,559	28,989
Purchases	741,278	787,906
Closing stock	(132,383)	(107,343)
Closing work in progress	(29,074)	(28,559)
Wages and salaries	444,375	456,862
Staff pensions (Defined contribution)	2,328	-
	<u>1,162,426</u>	<u>1,262,267</u>
<b>Employment costs</b>		
Wages and salaries	(86,665)	(67,301)
Staff NIC (Employers)	-	(5,895)
Directors remuneration	(16,120)	(17,466)
Directors NIC (Employers)	-	(326)
Staff training	(127)	(1,130)
	<u>(102,912)</u>	<u>(92,118)</u>
<b>Establishment costs</b>		
Rent	(72,450)	(69,408)
Rates & water	(27,910)	(31,048)
Light, heat and power	(30,446)	(29,375)
Insurance	(11,651)	(12,677)
Repairs and renewals	(12,854)	(11,999)
	<u>(155,311)</u>	<u>(154,507)</u>
<b>General administrative expenses</b>		
Telephone and fax	(2,913)	(2,888)
Computer software and maintenance costs	(605)	(1,153)
Printing, postage and stationery	(1,785)	(2,095)
Hire of plant and machinery (Operating leases)	(6,692)	(3,860)
Sundry expenses	-	(687)
Cleaning	(127)	(117)
Motor expenses	(7,046)	(5,421)
Advertising		

	(2,625)	(1,597)
Accountancy fees	(3,750)	(3,700)
Consultancy fees	-	(3,309)

This page does not form part of the statutory financial statements.

## A & L Furnishings Limited

### Detailed Profit and Loss Account for the Year Ended 31 March 2018

Management fees	(80,160)	-
Legal and professional fees	(7,772)	-
Bad debts written off	(86)	(409)
	<u>(113,561)</u>	<u>(25,236)</u>
<b>Finance charges</b>		
Bank charges	<u>(2,557)</u>	<u>(1,349)</u>
<b>Depreciation costs</b>		
Amortisation of goodwill	(27,500)	(27,500)
Depreciation of fixtures and fittings (owned)	(25,727)	(29,066)
Depreciation of motor vehicles (owned)	(3,535)	(4,712)
	<u>(56,762)</u>	<u>(61,278)</u>
<b>Other operating income</b>		
Other operating income	<u>32</u>	<u>105</u>
<b>Other interest receivable and similar income</b>		
Bank interest receivable	<u>46</u>	<u>-</u>

This page does not form part of the statutory financial statements.  
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