

**THE FOAM COMPANY LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**



# THE FOAM COMPANY LIMITED

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# THE FOAM COMPANY LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		645,748		747,977
<b>Current assets</b>					
Stocks		322,568		314,358	
Debtors	4	1,450,274		1,544,445	
Cash at bank and in hand		294,153		109,267	
		2,066,995		1,968,070	
<b>Creditors: amounts falling due within one year</b>	5	(2,298,955)		(2,195,081)	
<b>Net current liabilities</b>			(231,960)		(227,011)
<b>Total assets less current liabilities</b>			413,788		520,966
<b>Creditors: amounts falling due after more than one year</b>	6		(306,546)		(167,040)
<b>Provisions for liabilities</b>			(94,058)		(93,257)
<b>Net assets</b>			13,184		260,669
<b>Capital and reserves</b>					
Called up share capital	7		1,000		1,000
Profit and loss reserves			12,184		259,669
<b>Total equity</b>			13,184		260,669

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

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

# THE FOAM COMPANY LIMITED

## BALANCE SHEET (CONTINUED)

**AS AT 31 DECEMBER 2018**

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The financial statements were approved by the board of directors and authorised for issue on 20/9/2019  
and are signed on its behalf by:

.....  
M Nash  
Director

Company Registration No. 02067653

# THE FOAM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1 Accounting policies

##### Company information

The Foam Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unis 8 - 10, Eyston Way, Abingdon, Oxfordshire, OX14 1TR.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "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 £.

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

##### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

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),

##### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings leasehold	Straight line over the life of the lease
Plant and machinery	Straight line over 1 - 15 years
Fixtures, fittings and equipment	Straight line over 3 - 10 years
Motor vehicles	Straight line over 3 - 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

##### 1.5 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.

# THE FOAM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1 Accounting policies

(Continued)

##### 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. 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. Financial liabilities classified as payable within one year are not amortised.

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.

##### 1.7 Taxation

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

##### **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.

# THE FOAM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1 Accounting policies**

**(Continued)**

#### ***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.

#### **1.8 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.

#### **1.9 Retirement benefits**

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

#### **1.10 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.

### **2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 45 (2017 - 47).

# THE FOAM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 January 2018	294,411	1,505,645	1,800,056
Additions	-	66,225	66,225
Disposals	-	(24,409)	(24,409)
At 31 December 2018	294,411	1,547,461	1,841,872
<b>Depreciation and impairment</b>			
At 1 January 2018	171,314	880,765	1,052,079
Depreciation charged in the year	32,622	124,132	156,754
Eliminated in respect of disposals	-	(12,709)	(12,709)
At 31 December 2018	203,936	992,188	1,196,124
<b>Carrying amount</b>			
At 31 December 2018	90,475	555,273	645,748
At 31 December 2017	123,097	624,880	747,977

The net carrying value of tangible fixed assets includes £158,996 (2017 : £205,088) in respect of assets held under hire purchase contracts. There is a depreciation charge for the year ended 31 December 2018 of £53,695 (2017 : £55,083) in relation to these assets.

### 4 Debtors

	2018	2017
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1,266,864	1,370,151
Other debtors	183,410	174,294
	1,450,274	1,544,445



# THE FOAM COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2018

#### 5 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	900,722	773,931
Trade creditors	1,063,311	754,874
Corporation tax	6,259	38,475
Other taxation and social security	72,403	88,660
Other creditors	256,260	539,141
	<u>2,298,955</u>	<u>2,195,081</u>

The invoice discounting commercial finance facility is secured by way of a debenture over the trade debtors due to the company.

The obligations under hire purchase contracts are secured over the assets acquired.

The bank loan is secured by a fixed and floating charge over all land, assets and the present and future undertaking of the company.

#### 6 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Bank loans and overdrafts	204,620	-
Other creditors	101,926	167,040
	<u>306,546</u>	<u>167,040</u>

Other creditors includes obligations under hire purchase contracts which are secured over the assets acquired.

The bank loan is secured by a fixed and floating charge over all land, assets and the present and future undertaking of the company.

#### 7 Called up share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
600 Ordinary shares of £1 each	600	600
400 'A' Ordinary shares of £1 each	400	400
	<u>1,000</u>	<u>1,000</u>