

Company Registration No. 00057091 (England and Wales)

FURLONG MILLS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
PAGES FOR FILING WITH REGISTRAR



FURLONG MILLS LIMITED

COMPANY INFORMATION

Directors	Mr B W J Phillips Mr M J Roper Mr R E Gruning Mr D M Dudson Mr M S Nutting
Secretary	Mr R E Gruning
Company number	00057091
Registered office	Furlong Lane Burslem Stoke-on-Trent Staffordshire ST6 3LE
Auditor	Geens Limited 68 Liverpool Road Stoke-on-Trent Staffordshire ST4 1BG

FURLONG MILLS LIMITED

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FURLONG MILLS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		2,886,484		2,858,533
Current assets					
Stocks		1,125,825		1,112,018	
Debtors	4	1,288,695		1,220,897	
Cash at bank and in hand		1,497,758		1,227,619	
		<u>3,912,278</u>		<u>3,560,534</u>	
Creditors: amounts falling due within one year	5	<u>(1,767,757)</u>		<u>(1,839,199)</u>	
Net current assets			2,144,521		1,721,335
Total assets less current liabilities			5,031,005		4,579,868
Creditors: amounts falling due after more than one year	6		-		(2,172)
Provisions for liabilities			<u>(174,726)</u>		<u>(150,629)</u>
Net assets			<u>4,856,279</u>		<u>4,427,067</u>
Capital and reserves					
Called up share capital	7		6,240		6,240
Capital redemption reserve			4,160		4,160
Profit and loss reserves			4,845,879		4,416,667
Total equity			<u>4,856,279</u>		<u>4,427,067</u>

The directors of the company have elected not to include a copy of the 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 26 April 2018 and are signed on its behalf by:


Mr B W J Phillips
Director


Mr R E Gruning
Director

Company Registration No. 00057091

FURLONG MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

Furlong Mills Limited is a private company limited by shares incorporated in England and Wales. The registered office is Furlong Lane, Burslem, Stoke-on-Trent, Staffordshire, ST6 3LE.

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. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT, trade and other discounts.

All turnover and profits are derived from the company's principal activity of supplying processed materials to the ceramic industry.

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.

1.3 Tangible fixed assets

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

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

Freehold buildings	2% per annum
Plant and machinery	7% per annum
Laboratory, computer and office equipment	20% per annum
Motor vehicles	25% per annum on net book value

Freehold land and assets in the course of construction are not depreciated.

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 date, an assessment is made for impairment. Any excess of the carrying amount of tangible fixed assets over its estimated recoverable amount is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

FURLONG MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and 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.

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 trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs 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.

Derivative financial instruments

The company uses derivative financial instruments to reduce exposure to foreign exchange risk. The company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered in to and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

FURLONG MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other 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 receipts discounted at a market rate of interest.

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. Trade creditors 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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.

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 the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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.

FURLONG MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

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.

Assets held under finance leases are recognised as assets at the lower of the asset's 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 the profit and loss account 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 income 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 lease asset are consumed.

1.11 Foreign exchange

Non-monetary assets, liabilities and transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. All differences are taken to profit and loss account.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 53 (2016 - 49).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2017	3,146,911	5,593,701	8,740,612
Additions	19,860	214,745	234,605
Disposals	-	(750)	(750)
At 31 December 2017	3,166,771	5,807,696	8,974,467
Depreciation and impairment			
At 1 January 2017	2,029,094	3,852,985	5,882,079
Depreciation charged in the year	19,908	186,746	206,654
Eliminated in respect of disposals	-	(750)	(750)
At 31 December 2017	2,049,002	4,038,981	6,087,983
Carrying amount			
At 31 December 2017	1,117,769	1,768,715	2,886,484
At 31 December 2016	1,117,817	1,740,716	2,858,533

FURLONG MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	1,216,529	1,093,523
Other debtors	72,166	127,374
	<u>1,288,695</u>	<u>1,220,897</u>

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,317,556	1,454,611
Corporation tax	71,002	68,484
Other taxation and social security	273,022	214,895
Other creditors	106,177	101,209
	<u>1,767,757</u>	<u>1,839,199</u>

6 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	-	2,172
	<u>-</u>	<u>2,172</u>

7 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid 6,240 Ordinary shares of £1 each	6,240	6,240
	<u>6,240</u>	<u>6,240</u>

8 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.

The senior statutory auditor was Karen Lowe FCA BSc (Hons).
The auditor was Geens Limited.

FURLONG MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

9 Financial commitments

The company purchases inventories from suppliers in Euros and has entered in to forward foreign currency contracts to hedge its exchange rate risk arising from these anticipated transactions. As at 31 December 2017 the company is committed to purchasing €950,000 (2016 - £nil) from a financial institution. Gains of £1,939 (2016 - £nil) were recognised in profit and loss for the period to reflect the fair value of the hedging instrument at the period end.

10 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:

2017	2016
£	£
182,961	238,885
<u>182,961</u>	<u>238,885</u>

Our ref: KVL/JPG/F700

3rd May 2018

Registrar of Companies,
Companies House,
Crown Way,
Maindy,
Cardiff,
CF14 3UZ.

Dear Sirs,

FURLONG MILLS LIMITED
Company Registration No. 00057091

In respect of the above named company we enclose the following:

- Audited accounts for the year ended 31 December 2017.

Yours faithfully

GEENS LIMITED

Geens Limited

Registered Office address: 68 Liverpool Road, Stoke-on-Trent, Staffordshire, ST4 1BG.

T: 01782 847952 F: 01782 744357 E: info@geens.co.uk W: www.geens.co.uk

Registered in England and Wales number 08430716

Directors: Steve Archer FCA, Karen Lowe BSc FCA, Carl France, Dean Clacher FCCA, Chris Beeston ACA CTA

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