

REGISTERED NUMBER: 00419883 (England and Wales)

**Abbreviated Accounts for the Year Ended 30 April 2011**

**for**

**The Downland Bedding Company Limited**

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**for the Year Ended 30 April 2011**

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**The Downland Bedding Company Limited**

**Company Information**  
**for the Year Ended 30 April 2011**

**DIRECTORS:**

G R Smith  
G O Smith  
F G Smith  
M R Smith

**SECRETARY:**

G R Smith

**REGISTERED OFFICE:**

Scotzdown Mill  
23 Blackstock Street  
LIVERPOOL  
L3 6ER

**REGISTERED NUMBER:**

00419883 (England and Wales)

**AUDITORS:**

Thornton Springer LLP  
Chartered Accountants  
Statutory Auditor  
67 Westow Street  
London  
United Kingdom  
SE19 3RW

**Report of the Independent Auditors to**  
**The Downland Bedding Company Limited**  
**Under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages four to seven, together with the full financial statements of The Downland Bedding Company Limited for the year ended 30 April 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

**Other information**

On **- 3 APR 2012** we reported as auditors to the shareholders of the company on the full financial statements for the year ended 30 April 2011 prepared under Section 396 of the Companies Act 2006, and our report was as follows:

"We have audited the financial statements of The Downland Bedding Company Limited for the year ended 30 April 2011 on pages five to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Report of the Independent Auditors to**  
**The Downland Bedding Company Limited**  
**Under Section 449 of the Companies Act 2006**

**Basis for qualified opinion on financial statements**

We did not observe the counting of the physical inventories as at 30 April 2010, since that date was before the company was required by law to undergo a statutory audit. Due to the nature of the company's records, we were unable to satisfy ourselves as to the physical inventory quantities held by other audit procedures.

Due to the loss of stock counting records the physical stock quantities used in the valuation of stock as at 30 April 2011 were based on a perpetual stock inventory system which the directors considered unreliable. Because of the significance of this uncertainty we were unable to obtain sufficient audit assurance on the physical quantities of stock held at the financial year end.

**Qualified opinion on financial statements arising from the limitation of audit scope**

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the physical inventory quantities at 30 April 2010 and 30 April 2011, the financial statements give a true and fair view of the financial position of the company as of 30 April 2011 and of the results of its operations for the year then ended in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities and comply with the requirement of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

With the exception of the loss of stock count records where we are unable to confirm that adequate accounting records have been kept, we have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors."

P L Wallyn FCA (Senior Statutory Auditor)  
for and on behalf of Thornton Springer LLP  
Chartered Accountants  
Statutory Auditor  
67 Westow Street  
London  
United Kingdom  
SE19 3RW

Date      - 3 APR 2012

**The Downland Bedding Company Limited (Registered number: 00419883)**

**Abbreviated Balance Sheet**

**30 April 2011**

	Notes	30 4 11 £	30 4 10 £
<b>FIXED ASSETS</b>			
Tangible assets	2	148,069	123,573
Investments	3	41,415	41,415
		<u>189,484</u>	<u>164,988</u>
<b>CURRENT ASSETS</b>			
Stocks		1,059,069	414,076
Debtors	4	1,427,086	1,567,391
Investments		-	30,000
Cash at bank and in hand		329,930	201,541
		<u>2,816,085</u>	<u>2,213,008</u>
<b>CREDITORS</b>			
Amounts falling due within one year	5	(1,705,027)	(1,116,625)
<b>NET CURRENT ASSETS</b>		<u>1,111,058</u>	<u>1,096,383</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,300,542	1,261,371
<b>CREDITORS</b>			
Amounts falling due after more than one year		(188,231)	(175,902)
<b>PROVISIONS FOR LIABILITIES</b>		(5,000)	-
<b>ACCRUALS AND DEFERRED INCOME</b>		<u>(11,710)</u>	<u>(12,635)</u>
<b>NET ASSETS</b>		<u>1,095,601</u>	<u>1,072,834</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	5,000	5,000
Profit and loss account		1,090,601	1,067,834
<b>SHAREHOLDERS' FUNDS</b>		<u>1,095,601</u>	<u>1,072,834</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on its behalf by

*30 March 2012* and were signed on

*G R Smith*

G R Smith - Director

The notes form part of these abbreviated accounts

**Notes to the Abbreviated Accounts**  
**for the Year Ended 30 April 2011**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Preparation of consolidated financial statements**

The financial statements contain information about The Downland Bedding Company Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Land and buildings	- 2% on cost buildings
Plant and machinery etc	- 25% on cost, 20% on reducing balance and 15% on cost

**Stocks**

Stock and work in progress is valued at the lower of cost and net realisable value. Cost includes the cost of direct materials plus attributable overheads based on a normal level of activity. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date

This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted

Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

**Government grants**

Older Regional Development Grants relating to fixed assets are included in deferred income and released to trading profits over the expected useful lives of the particular assets to which they relate. Other more recent grants, also relating to fixed assets, are treated as reducing the cost of the assets to which they relate and depreciation is reduced accordingly

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 30 April 2011**

**1 ACCOUNTING POLICIES - continued**

**Foreign Currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling at the balance sheet date or if appropriate at the forward exchange contract rate.

**2 TANGIBLE FIXED ASSETS**

	Total £
<b>COST</b>	
At 1 May 2010	958,351
Additions	45,579
	<hr/>
At 30 April 2011	1,003,930
	<hr/>
<b>DEPRECIATION</b>	
At 1 May 2010	834,778
Charge for year	21,083
	<hr/>
At 30 April 2011	855,861
	<hr/>
<b>NET BOOK VALUE</b>	
At 30 April 2011	148,069
	<hr/>
At 30 April 2010	123,573
	<hr/>

**3 FIXED ASSET INVESTMENTS**

	Investments other than loans £
<b>COST</b>	
At 1 May 2010 and 30 April 2011	41,415
	<hr/>
<b>NET BOOK VALUE</b>	
At 30 April 2011	41,415
	<hr/>
At 30 April 2010	41,415
	<hr/>

The company's investments at the balance sheet date in the share capital of companies include the following

**The Scott Feather Company Limited**

Nature of business Dormant

	%		
Class of shares	holding		
Ordinary	100.00		
		30.4.11	30.4.10
		£	£
Aggregate capital and reserves		161,093	161,093
		<hr/>	<hr/>



**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 30 April 2011**

**4 DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

The aggregate total of debtors falling due after more than one year is £197,329 (30 4 10 - £217,985)

**5 CREDITORS**

Creditors include an amount of £363,855 (30 4 10 - £338,359) for which security has been given

They also include the following debts falling due in more than five years

	30 4 11	30 4 10
	£	£
Repayable otherwise than by instalments	12,034	12,034

**6 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid			30 4 11	30 4 10
Number	Class	Nominal value	£	£
5,000	Ordinary	£1	5,000	5,000

**7 TRANSACTIONS WITH DIRECTORS**

The following loans to directors subsisted during the years ended 30 April 2011 and 30 April 2010

	30 4 11	30 4 10
	£	£
<b>F.G. Smith</b>		
Balance outstanding at start of year	108,858	120,178
Amounts advanced	2,500	7,397
Amounts repaid	(14,735)	(18,717)
Balance outstanding at end of year	96,623	108,858
<b>M.R. Smith</b>		
Balance outstanding at start of year	73,589	96,002
Amounts advanced	-	1,731
Amounts repaid	(12,421)	(24,144)
Balance outstanding at end of year	61,168	73,589

The loans to directors are interest free, unsecured and without formal repayment terms

**8 RELATED PARTY DISCLOSURES**

Trade Creditors includes £3,995 due to Marchioness Limited, a dormant company in which Mr G R Smith and Mr G O Smith, both directors, had a material interest

Included in current liabilities is a loan from Mr G R Smith, one of the directors, amounting to £48,429 This loan is interest free, unsecured and without specified repayment terms