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## COLUMBIA FLOORING PLC

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### DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2017

WEDNESDAY



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COMPANIES HOUSE

<b>COLUMBIA FLOORING PLC</b>
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**COMPANY INFORMATION**

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<b>Directors</b>	B J Courtney Esq Mrs I M Courtney
<b>Company secretary</b>	B J Courtney Esq
<b>Registered number</b>	00970249
<b>Registered office</b>	Charles Lake House Claire Causeway Crossways Business Park Dartford Kent DA2 6QA
<b>Trading Address</b>	Unit 11, Trafalgar Trading Estate Jeffreys Road Enfield Middlesex EN3 7TY
<b>Independent auditors</b>	Barnes Roffe LLP Chartered Accountants & Statutory Auditor Charles Lake House Claire Causeway Crossways Business Park Dartford Kent DA2 6QA
<b>Bankers</b>	Barclays Bank plc Enfield Group 20 The Town Enfield Middlesex EN2 6LY

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**COLUMBIA FLOORING PLC**

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## COLUMBIA FLOORING PLC

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 JANUARY 2017

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#### Introduction

The directors present their strategic report accompanying the financial statements for the year ended 31st January 2017.

#### Business review

In spite of continued adverse market conditions, the Company achieved an increase in turnover to £3,384,469 (2016 - £3,268,330) and a slight decline in pre-tax profits of £96,981 (2016 - £130,625), before the exceptional write off of an irrecoverable loan of £50,000, by maintaining close control over costs and overhead expenditure.

The results for the year and the financial position at the year end for the Company were considered satisfactory in light of the unprecedented economic conditions that prevailed in the year under review by the directors who expect continued growth in the foreseeable future.

The key objective of the Company is the maximisation of profit. The principal strategies in achieving the key objectives are the maximisation of revenue and gross margins by effective cost management. This is achieved by developing and maintaining close relations with key customers.

#### Principal risks and uncertainties

The management of the business and execution of the Company's strategy are subject to a number of risks. Risks are formally reviewed by the Board and appropriate processes put in place to monitor and mitigate them.

The key business risks affecting the company are set out below:

#### Competition

The Company operates in a highly competitive market particularly around price and product availability/quality. This results in downward pressure on margins. In order to mitigate this risk the commercial team monitor market prices on an ongoing basis and have responsibility for negotiating with suppliers and pricing goods accordingly. An independent complaints bureau is used in the event of any dispute over quality of products supplied to ensure customer satisfaction.

#### Supply chain

The Company mitigates the risk of product availability through effective supplier selection and procurement practices.

#### Employees

The resignation of key individuals and the inability to recruit people with the right experience and skills could adversely affect the Company's results. To mitigate these issues the Company has a thorough induction and training programme for all employees. It also makes information available to employees through the medium of frequent staff meetings, together with personal appraisals and feedback sessions.

#### FINANCIAL RISK MANAGEMENT

##### Credit risk

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual customer is subject to a limit, which is reassessed continually by the credit control function and regular review of aged receivable reports.

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COLUMBIA FLOORING PLC

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STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JANUARY 2017

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**Liquidity risk**

During the year, the Company continued to be funded from its established cash reserves. The directors continue to monitor the Company's liquidity taking steps, wherever necessary, to ensure that financial obligations and commitments are met as and when they fall due. The Company has no exposure to equity securities price risk as it holds no listed or other equity investments.

**Financial key performance indicators**

We consider that our key performance indicators are those that communicate the financial performance and strength of the Company as a whole; these being turnover, gross profit margin and net profit.

**Other key performance indicators**

Given the straight forward nature of the business, the directors are of the opinion that analysis using other KP's is not necessary for an understanding of the development, performance or position of the business.

This report was approved by the board on 20<sup>th</sup> July 2017 and signed on its behalf.

Mrs I M Courtney  
Director



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## COLUMBIA FLOORING PLC

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2017

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The directors present their report and the financial statements for the year ended 31 January 2017.

#### Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Principal activity

The principal activity of the Company is the purchase, warehousing and distribution of carpets and related floor coverings and products to the carpet flooring industry.

There have not been any significant changes in the Company's principal activities in the year under review. The directors are not aware of any likely major changes in the principal activities in the forthcoming year at the date of this report.

#### Results and dividends

The profit for the year, after taxation, amounted to £76,983 (2016 - £104,404).

The directors have paid interim dividends for the year totalling 72 pence net per Ordinary Share (2016 - 228 pence) and 10,000 pence net per Ordinary A Share (2016 - 11,850 pence). The directors do not recommend payment of a final dividend on either Ordinary Shares or Ordinary A Shares.

#### Directors

The directors who served during the year were:

B J Courtney Esq  
Mrs I M Courtney

## COLUMBIA FLOORING PLC

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2017

#### Environmental matters

##### Environmental policy

The Company recognises the importance of environmental responsibilities and where practical has an environmental policy in place which includes the recycling of paper and office materials. The directors believe the nature of its activities has a minimal effect on the environment.

##### Health and safety

The Company recognises the importance of safeguarding health, safety and welfare of its employees and has a health and safety policy in place. Regular updates are communicated to all employees.

#### Future developments

The Company will continue to grow by developing and maintaining close relations with key customers.

#### Company's policy for payment of creditors

The Company's policy for the payment of its suppliers is to agree the payment terms in advance and, provided a supplier performs in accordance with the agreement, to abide by such terms. However, if discount is available for early settlement of invoices, the Company will seek to take advantage of this. The ratio, expressed in days, between the amounts invoiced to the Company by its suppliers in the year ended 31 January 2017 and the amounts owed to its trade creditors at the end of the year was 17 days (2016 - 21 days).

#### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Post balance sheet events

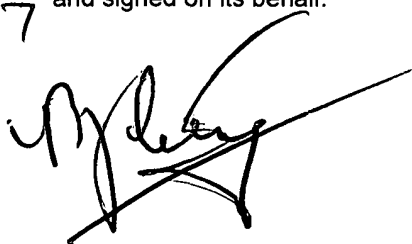
There have been no significant events affecting the company since the year end.

#### Auditors

The auditors, Barnes Roffe LLP, are deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 16 August 2016.

This report was approved by the board on 20<sup>th</sup> July 2017 and signed on its behalf.

B J Courtney Esq  
Secretary



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**COLUMBIA FLOORING PLC**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF COLUMBIA FLOORING PLC**

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We have audited the financial statements of Columbia Flooring PLC for the year ended 31 January 2017, set out on pages 7 to 24. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 an 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 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 Directors' Responsibilities Statement on page 3, 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 Financial Reporting Council'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 Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



**COLUMBIA FLOORING PLC**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF COLUMBIA FLOORING PLC  
(CONTINUED)**

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

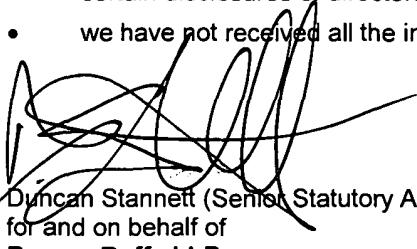
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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:

- adequate accounting records have not been kept, or 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.



Duncan Stannett (Senior Statutory Auditor)  
for and on behalf of  
**Barnes Roffe LLP**  
Chartered Accountants & Statutory Auditor  
Charles Lake House  
Claire Causeway  
Crossways Business Park  
Dartford  
Kent  
DA2 6QA

Date:

21<sup>st</sup> July 2017

**COLUMBIA FLOORING PLC**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JANUARY 2017**

	Note	2017 £	2016 £
Turnover	4	3,384,469	3,268,330
Cost of sales		(2,849,122)	(2,771,398)
<b>Gross profit</b>		<b>535,347</b>	<b>496,932</b>
Distribution costs		(23,092)	(27,751)
Administrative expenses		(365,323)	(338,995)
Exceptional administrative expenses	13	(50,000)	-
<b>Operating profit</b>	5	<b>96,932</b>	<b>130,186</b>
Interest receivable and similar income	9	55	439
Interest payable and expenses	10	(6)	-
<b>Profit before tax</b>		<b>96,981</b>	<b>130,625</b>
Tax on profit	11	(19,998)	(26,221)
<b>Profit for the financial year</b>		<b>76,983</b>	<b>104,404</b>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 11 to 24 form part of these financial statements.

**COLUMBIA FLOORING PLC**  
**REGISTERED NUMBER: 00970249**

**BALANCE SHEET**  
**AS AT 31 JANUARY 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	14	33,559	28,680
		<u>33,559</u>	<u>28,680</u>
<b>Current assets</b>			
Stocks	15	78,106	91,338
Debtors	16	218,787	238,945
Cash at bank and in hand	17	242,818	232,696
		<u>539,711</u>	<u>562,979</u>
Creditors: amounts falling due within one year	18	(264,947)	(308,942)
<b>Net current assets</b>		<u>274,764</u>	<u>254,037</u>
<b>Total assets less current liabilities</b>		<u>308,323</u>	<u>282,717</u>
<b>Provisions for liabilities</b>			
Deferred tax	19	(4,795)	(3,372)
<b>Net assets</b>		<u><u>303,528</u></u>	<u><u>279,345</u></u>
<b>Capital and reserves</b>			
Called up share capital	20	50,168	50,168
Profit and loss account		253,360	229,177
		<u><u>303,528</u></u>	<u><u>279,345</u></u>

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

**B J Courtney Esq**  
 Director

**Mrs I M Courtney**  
 Director

The notes on pages 11 to 24 form part of these financial statements.

20<sup>th</sup> July 2017

<b>COLUMBIA FLOORING PLC</b>
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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2017**

	Share Capital £	Retained earnings £	Total equity £
At 1 February 2016	50,168	229,177	279,345
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>			
Profit for the year	-	76,983	76,983
Dividends	-	(52,800)	(52,800)
<b>At 31 January 2017</b>	<u>50,168</u>	<u>253,360</u>	<u>303,528</u>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2016**

	Share capital £	Retained earnings £	Total equity £
At 1 February 2015	50,065	254,200	304,265
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>			
Profit for the year	-	104,404	104,404
Dividends	-	(129,427)	(129,427)
Shares issued during the year	103	-	103
<b>At 31 January 2016</b>	<u>50,168</u>	<u>229,177</u>	<u>279,345</u>

The notes on pages 11 to 24 form part of these financial statements.

**COLUMBIA FLOORING PLC**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JANUARY 2017**

	2017 £	2016 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	76,983	104,404
<b>Adjustments for:</b>		
Amortisation of short leasehold premises	194	194
Depreciation of tangible assets	6,491	5,800
Loss on disposal of tangible assets	1,503	109
Interest paid	6	-
Interest received	(55)	(439)
Taxation	19,998	26,221
Decrease/(increase) in stocks	13,232	(10,232)
Decrease/(increase) in debtors	20,158	(20,887)
(Decrease)/increase in creditors	(36,097)	72,909
Corporation tax	(26,473)	(24,154)
<b>Net cash generated from operating activities</b>	<u>75,940</u>	<u>153,925</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(13,067)	(3,692)
Interest received	55	439
<b>Net cash from investing activities</b>	<u>(13,012)</u>	<u>(3,253)</u>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	-	103
Dividends paid	(52,800)	(129,427)
Interest paid	(6)	-
<b>Net cash used in financing activities</b>	<u>(52,806)</u>	<u>(129,324)</u>
Cash and cash equivalents at beginning of year	232,696	211,348
<b>Cash and cash equivalents at the end of year</b>	<u><u>242,818</u></u>	<u><u>232,696</u></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	242,818	232,696
	<u><u>242,818</u></u>	<u><u>232,696</u></u>

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## COLUMBIA FLOORING PLC

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2017

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#### 1. General information

Columbia Flooring Plc is a public limited company limited by shares incorporated in England and Wales. The address of the registered office is given in the Company information page of these financial statements. The principal activity of the Company continued to be the purchase, warehousing and distribution of carpets and related floor coverings and products to the carpet flooring industry.

#### 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 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 (see note 3).

The following principal accounting policies have been applied:

##### 2.2 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.

##### 2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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**COLUMBIA FLOORING PLC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

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**2. Accounting policies (continued)**

**2.3 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a straight line and reducing balance basis.

Depreciation is provided on the following basis:

Land and buildings leasehold	-	over the term of the lease
Motor vehicles	-	25% on a reducing balance basis
Fixtures & fittings	-	15% on a reducing balance basis
Computer equipment	-	15% on a reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**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.

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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

**2.7 Financial instruments**

The Company only enters into basic financial instruments 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 non-puttable ordinary shares.

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**COLUMBIA FLOORING PLC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

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**2. Accounting policies (continued)**

**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.

**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 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.11 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**2.12 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.



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**COLUMBIA FLOORING PLC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

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**2. Accounting policies (continued)**

**2.13 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.14 Interest income**

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

**2.15 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

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**COLUMBIA FLOORING PLC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

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**2. Accounting policies (continued)**

The tax expense for the year comprises current and deferred tax. 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.

**2.16 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

No significant judgements have been made by the management in the preparation of the financial statements.

**4. Turnover**

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

Turnover relates to continuing activities and principally derives from trade sales of carpet and flooring materials to United Kingdom customers.

In the opinion of the directors, no further segmental analysis is required.

**COLUMBIA FLOORING PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

**5. Operating profit**

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	6,685	5,995
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	7,250	7,250
Other operating lease rentals	46,075	46,075
	<u>          </u>	<u>          </u>

**6. Auditors' remuneration**

	2017 £	2016 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	7,250	7,250
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
All other services	550	-
	<u>          </u>	<u>          </u>

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	193,771	175,620
Cost of defined contribution scheme	1,946	-
	<u>          </u>	<u>          </u>
	195,717	175,620
	<u>          </u>	<u>          </u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Office and management	3	2
Sales and purchasing	4	4
Warehouse staff	3	2
	<u>          </u>	<u>          </u>
	10	8
	<u>          </u>	<u>          </u>

COLUMBIA FLOORING PLC
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017

8. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	10,848	10,848
	<u>10,848</u>	<u>10,848</u>

9. Interest receivable

	2017 £	2016 £
Other interest receivable	-	365
Bank interest receivable	55	74
	<u>55</u>	<u>439</u>

10. Interest payable and similar charges

	2017 £	2016 £
Other loan interest payable	6	-
	<u>6</u>	<u>-</u>

**COLUMBIA FLOORING PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

**11. Taxation**

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	18,268	26,166
Adjustments in respect of previous periods	307	-
	<u>18,575</u>	<u>26,166</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	1,423	55
<b>Total deferred tax</b>	<u>1,423</u>	<u>55</u>
<b>Taxation on profit on ordinary activities</b>	<u>19,998</u>	<u>26,221</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2016 - *higher than*) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>96,981</u>	<u>130,625</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	19,396	26,125
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	557	57
Capital allowances for year in excess of depreciation	(1,685)	(16)
Adjustments in respect of previous periods	307	-
Deferred tax charge	1,423	55
<b>Total tax charge for the year</b>	<u>19,998</u>	<u>26,221</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

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**12. Dividends**

	<b>2017 £</b>	<b>2016 £</b>
Equity dividends paid	<b>36,000</b>	<b>114,000</b>
Non-equity dividends paid	<b>16,800</b>	<b>15,427</b>
	<b><u>52,800</u></b>	<b><u>129,427</u></b>

**13. Exceptional items**

	<b>2017 £</b>	<b>2016 £</b>
Provision for irrecoverable loan	<b>50,000</b>	<b>-</b>
	<b><u>50,000</u></b>	<b><u>-</u></b>

**COLUMBIA FLOORING PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

**14. Tangible fixed assets**

	<b>S/Term Leasehold Property £</b>	<b>Computer Equipment £</b>	<b>Motor vehicles £</b>	<b>Fixtures &amp; fittings £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 February 2016	2,937	14,680	16,565	73,900	108,082
Additions	-	6,808	-	6,259	13,067
Disposals	-	(1,965)	-	(2,630)	(4,595)
At 31 January 2017	2,937	19,523	16,565	77,529	116,554
<b>Depreciation</b>					
At 1 February 2016	2,469	8,072	11,324	57,537	79,402
Charge for the year on owned assets	194	1,895	1,310	3,286	6,685
Disposals	-	(1,179)	-	(1,913)	(3,092)
At 31 January 2017	2,663	8,788	12,634	58,910	82,995
<b>Net book value</b>					
At 31 January 2017	274	10,735	3,931	18,619	33,559
At 31 January 2016	468	6,608	5,241	16,363	28,680

The net book value of land and buildings may be further analysed as follows:

	<b>2017 £</b>	<b>2016 £</b>
Short leasehold	274	468
	274	468

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

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**15. Stocks**

	2017 £	2016 £
Finished goods and goods for resale	78,106	91,338
	<u>78,106</u>	<u>91,338</u>

**16. Debtors**

	2017 £	2016 £
<b>Due after more than one year</b>		
Other debtors	20,917	20,907
	<u>20,917</u>	<u>20,907</u>
<b>Due within one year</b>		
Trade debtors	164,633	191,272
Prepayments and accrued income	33,237	26,766
	<u>218,787</u>	<u>238,945</u>

**17. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	242,818	232,696
	<u>242,818</u>	<u>232,696</u>



# COLUMBIA FLOORING PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2017

### 18. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	186,278	202,060
Corporation tax	18,268	26,166
Taxation and social security	34,020	35,444
Other creditors	1,084	51
Accruals and deferred income	25,297	45,221
	<u>264,947</u>	<u>308,942</u>

### 19. Deferred taxation

	2017 £	2016 £
At beginning of year	(3,372)	(3,317)
Charged to profit or loss	(1,423)	(55)
<b>At end of year</b>	<u><b>(4,795)</b></u>	<u><b>(3,372)</b></u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(4,795)	(3,372)
	<u><b>(4,795)</b></u>	<u><b>(3,372)</b></u>

Deferred Tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws in existence at the Balance Sheet date.

### 20. Share capital

	2017 £	2016 £
<b>Shares classified as equity</b>		
<b>Authorised</b>		
50,000 Ordinary shares of £1 each	50,000	50,000
200 Ordinary 'A' shares of £1 each	200	200

# COLUMBIA FLOORING PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2017

### 20. Share capital (continued)

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
50,000 Ordinary shares of £1 each	50,000	50,000
168 Ordinary 'A' shares of £1 each	168	168
	<b>50,168</b>	<b>50,168</b>

### 21. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,946 (2016 - £Nil).

### 22. Commitments under operating leases

At 31 January 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
<b>Land and buildings</b>		
Later than 1 year and not later than 5 years	67,832	113,907
	<b>67,832</b>	<b>113,907</b>

### 23. Related party transactions

Included in creditors amounts falling due within one year are the following amounts due to directors in respect of their current accounts:

	2017 £	2016 £
Directors' current account	1,084	51
	<b>1,084</b>	<b>51</b>

The directors' have an interest in dividends paid of £36,000 (2016: £114,000).

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**COLUMBIA FLOORING PLC**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2017**

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**24. Controlling party**

The directors are deemed to be the controlling party by virtue of their shareholding in the Company. There is no one individual controlling party.