

REGISTERED NUMBER: 01479217 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018
FOR
CERAMICA IMPEX LIMITED**



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FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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CERAMICA IMPEX LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2018

DIRECTOR: Mr H L Namli

SECRETARY: L F Kerrison

REGISTERED OFFICE: Unit 1 Victoria Industrial Park
Victoria Road
Off Coal Road
Leeds
West Yorkshire
LS14 2LA

REGISTERED NUMBER: 01479217 (England and Wales)

AUDITORS: A Wigglesworth and Company Ltd
Chartered Accountants & Statutory Auditors
Armstrong House
First Avenue
Finningley
Doncaster
South Yorkshire
DN9 3GA

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

REVIEW OF BUSINESS

The Company is an importer and distributor of ceramic tiles, natural stone, sanitary ware and glass mosaics to the whole of the UK and Ireland. We offer direct shipment of mixed containers from our partner factories in Turkey and Italy alongside the supply of smaller quantities from our warehouse facility in Leeds.

RESULTS AND PERFORMANCE

The results of the Company for the year are set out in the Income Statement on page 9.

The business has stood up well to what has again been a challenging marketplace. Turnover has shown a small decline with one of our international DIY customers moving part of their buying strategy to their head office on a unified basis. We are also working against weakening consumer demand in the shadow of Brexit, alongside higher product costs as a result of the weak Pound Sterling. We are pleased with the way the Company has responded to these difficult trading conditions. Warehouse sales have shown continued growth which has held up and improved our margins. The extensive warehousing and showroom facilities that we developed four years ago have been shown to be a very worthwhile investment in a changing marketplace, as we explain below.

The increased warehousing capacity has enabled us to fully implement our marketing strategy of offering an extensive range of products and services. We have been able to increase the number of lines we carry, and customers are now able to buy in smaller quantities with the introduction of part pallet, pick and pack and room lot warehouse sales. The combination of the increase in lines and the extension of the customer buying choice is the primary reason for being able to show an improvement in our gross profit margin.

STRATEGY

We have seen a shift in the marketplace from bulk buying to smaller, more frequent, orders. We believe that this is the way the market is continuing to move, and that this will be the future of the ceramics market within the UK, as our customers look to control their stock levels more rigorously due to the restraint on funding. With the extensive capacity we have in our modern warehouse facility, this enables us to take full advantage of this development in customer buying strategy.

The warehouse has state of the art computerised bay racking, enabling us to offer the service of part pallet, pick and pack and room lot whilst a large bulk area gives us the capacity to hold greater volumes of the fast sellers.

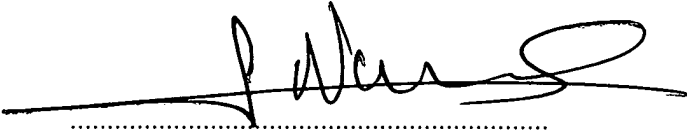
We continue to work with our customers to increase our presence in their stores by providing them with a range of promotional display stands. We see this as an effective way to develop the market for our wide range of products and increase sales revenues.

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

KEY PERFORMANCE INDICATORS

The Board considers that our key performance indicators are those that communicate the financial performance and strength of the company, these being turnover, gross margin and profit before tax. These indicators are shown in the Income Statement on page 9.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'H L Namli', written over a horizontal dotted line.

Mr H L Namli - Director

Date:

24th / June / 2019

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The director presents his report with the financial statements of the company for the year ended 30 September 2018.

DIVIDENDS

An interim dividend of £1,000 per share was paid on 9 April 2018. The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 30 September 2018 will be £100,000.

DIRECTOR

Mr H L Namli held office during the whole of the period from 1 October 2017 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

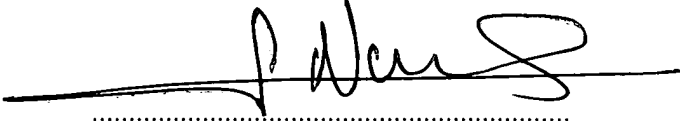
So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

AUDITORS

The auditors, A Wigglesworth and Company Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'H L Namli', written over a horizontal dotted line.

Mr H L Namli - Director

Date:

24/June/2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CERAMICA IMPEX LIMITED

Opinion

We have audited the financial statements of Ceramica Impex Limited (the 'company') for the year ended 30 September 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CERAMICA IMPEX LIMITED

Opinions on other matters 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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 or the Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page four, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CERAMICA IMPEX LIMITED**

Use of our report

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.



Arthur Wigglesworth (Senior Statutory Auditor)
for and on behalf of A Wigglesworth and Company Ltd
Chartered Accountants & Statutory Auditors
Armstrong House
First Avenue
Finningley
Doncaster
South Yorkshire
DN9 3GA

Date: 25/6/19

CERAMICA IMPEX LIMITED (REGISTERED NUMBER: 01479217)

**INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Notes	2018 £	2017 £
TURNOVER		13,420,250	14,279,224
Cost of sales		10,318,443	11,052,596
GROSS PROFIT		3,101,807	3,226,628
Administrative expenses		1,632,362	1,394,569
OPERATING PROFIT	5	1,469,445	1,832,059
Interest receivable and similar income		7,533	5,008
		1,476,978	1,837,067
Interest payable and similar expenses	6	89,940	107,849
PROFIT BEFORE TAXATION		1,387,038	1,729,218
Tax on profit	7	272,587	343,398
PROFIT FOR THE FINANCIAL YEAR		1,114,451	1,385,820

The notes form part of these financial statements

CERAMICA IMPEX LIMITED (REGISTERED NUMBER: 01479217)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

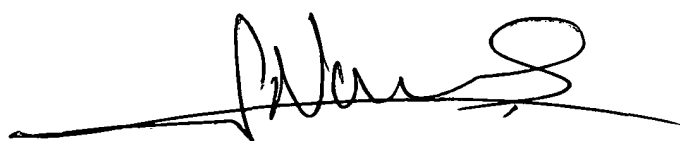
	Notes	2018 £	2017 £
PROFIT FOR THE YEAR		1,114,451	1,385,820
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,114,451</u>	<u>1,385,820</u>

The notes form part of these financial statements

BALANCE SHEET
30 SEPTEMBER 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	9	240,994	293,781
CURRENT ASSETS			
Stocks	10	1,506,135	1,191,427
Debtors	11	4,250,840	3,567,444
Cash at bank and in hand		2,232,380	2,734,585
		<u>7,989,355</u>	<u>7,493,456</u>
CREDITORS			
Amounts falling due within one year	12	<u>4,380,009</u>	<u>4,946,627</u>
NET CURRENT ASSETS		<u>3,609,346</u>	<u>2,546,829</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,850,340</u>	<u>2,840,610</u>
PROVISIONS FOR LIABILITIES	14	<u>19,355</u>	<u>24,076</u>
NET ASSETS		<u><u>3,830,985</u></u>	<u><u>2,816,534</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	100	100
Retained earnings	16	<u>3,830,885</u>	<u>2,816,434</u>
SHAREHOLDERS' FUNDS		<u><u>3,830,985</u></u>	<u><u>2,816,534</u></u>

The financial statements were approved by the director on 24th June 2019..... and were signed by:



.....
Mr H L Namli - Director

CERAMICA IMPEX LIMITED (REGISTERED NUMBER: 01479217)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 October 2016	100	2,730,614	2,730,714
Changes in equity			
Dividends	-	(1,300,000)	(1,300,000)
Total comprehensive income	-	1,385,820	1,385,820
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2017	100	2,816,434	2,816,534
	<hr/>	<hr/>	<hr/>
Changes in equity			
Dividends	-	(100,000)	(100,000)
Total comprehensive income	-	1,114,451	1,114,451
	<hr/>	<hr/>	<hr/>
Balance at 30 September 2018	100	3,830,885	3,830,985
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	88,380	63,908
Interest paid		(108,302)	(159,193)
Tax paid		(344,703)	(297,655)
Net cash from operating activities		<u>(364,625)</u>	<u>(392,940)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(45,113)	(46,490)
Sale of tangible fixed assets		-	18,500
Interest received		7,533	5,008
Net cash from investing activities		<u>(37,580)</u>	<u>(22,982)</u>
Cash flows from financing activities			
Equity dividends paid		(100,000)	(1,300,000)
Net cash from financing activities		<u>(100,000)</u>	<u>(1,300,000)</u>
Decrease in cash and cash equivalents		<u>(502,205)</u>	<u>(1,715,922)</u>
Cash and cash equivalents at beginning of year	2	2,734,585	4,450,507
Cash and cash equivalents at end of year	2	<u><u>2,232,380</u></u>	<u><u>2,734,585</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
Profit before taxation	1,387,038	1,729,218
Depreciation charges	97,900	85,864
Profit on disposal of fixed assets	-	(3,397)
Dividend paid	100,000	-
Finance costs	89,940	107,849
Finance income	(7,533)	(5,008)
	<hr/>	<hr/>
	1,667,345	1,914,526
Increase in stocks	(314,708)	(437,213)
Increase in trade and other debtors	(683,396)	(333,215)
Decrease in trade and other creditors	(580,861)	(1,080,190)
	<hr/>	<hr/>
Cash generated from operations	88,380	63,908
	<hr/>	<hr/>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 September 2018

	30.9.18	1.10.17
	£	£
Cash and cash equivalents	2,232,380	2,734,585
	<hr/>	<hr/>

Year ended 30 September 2017

	30.9.17	1.10.16
	£	£
Cash and cash equivalents	2,734,585	4,450,507
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

1. STATUTORY INFORMATION

Ceramica Impex Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 20% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 50% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss 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 profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

	2018	2017
	£	£
Wages and salaries	708,355	625,381
Social security costs	60,496	50,773
Other pension costs	5,080	2,250
	<u>773,931</u>	<u>678,404</u>

The average number of employees during the year was as follows:

	2018	2017
Selling	6	6
Administration	6	6
Operational	11	9
	<u>23</u>	<u>21</u>

4. DIRECTORS' EMOLUMENTS

Information regarding the highest paid director is as follows:

	2018	2017
	£	£
Emoluments etc	<u>101,194</u>	<u>101,310</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Hire of plant and machinery	5,936	1,471
Depreciation - owned assets	97,900	85,864
Profit on disposal of fixed assets	-	(3,397)
Auditors' remuneration	7,980	9,300
Foreign exchange differences	16,804	20,411
Operating lease	<u>225,000</u>	<u>180,000</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Bank interest	506	-
Other interest	<u>89,434</u>	<u>107,849</u>
	<u>89,940</u>	<u>107,849</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax	277,308	344,703
Deferred tax	<u>(4,721)</u>	<u>(1,305)</u>
Tax on profit	<u>272,587</u>	<u>343,398</u>

UK corporation tax has been charged at 19%.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

7. TAXATION - continued**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2018 £	2017 £
Profit before tax	1,387,038	1,729,218
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.498%)	263,537	337,163
Effects of:		
Expenses not deductible for tax purposes	6,203	3,303
Depreciation in excess of capital allowances	2,847	2,932
Total tax charge	272,587	343,398

8. DIVIDENDS

	2018 £	2017 £
Ordinary shares of £1 each		
Interim	100,000	1,300,000

9. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 October 2017	91,161	124,188	150,136
Additions	-	14,023	1,302
At 30 September 2018	91,161	138,211	151,438
DEPRECIATION			
At 1 October 2017	71,059	93,537	66,919
Charge for year	18,232	11,168	12,678
At 30 September 2018	89,291	104,705	79,597
NET BOOK VALUE			
At 30 September 2018	1,870	33,506	71,841
At 30 September 2017	20,102	30,651	83,217

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

9. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 October 2017	258,825	55,930	680,240
Additions	-	29,788	45,113
	<hr/>	<hr/>	<hr/>
At 30 September 2018	258,825	85,718	725,353
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 October 2017	102,911	52,033	386,459
Charge for year	38,979	16,843	97,900
	<hr/>	<hr/>	<hr/>
At 30 September 2018	141,890	68,876	484,359
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 30 September 2018	116,935	16,842	240,994
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 September 2017	155,914	3,897	293,781
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

10. STOCKS

	2018 £	2017 £
Goods bought for resale	1,506,135	1,191,427
	<hr/> <hr/>	<hr/> <hr/>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	4,175,801	3,476,333
Other debtors	28,030	42,366
Prepayments	47,009	48,745
	<hr/>	<hr/>
	4,250,840	3,567,444
	<hr/> <hr/>	<hr/> <hr/>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	2,493,880	2,595,390
Tax	277,308	344,703
Social security and other taxes	17,255	14,567
VAT	204,587	219,478
Other creditors	1,386,979	1,772,489
	<hr/>	<hr/>
	4,380,009	4,946,627
	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	<u>225,000</u>	<u>225,000</u>

14. PROVISIONS FOR LIABILITIES

	2018	2017
	£	£
Deferred tax		
Accelerated capital allowances	<u>19,355</u>	<u>24,076</u>
Balance at 1 October 2017		24,076
Credit to Income Statement during year		<u>(4,721)</u>
Balance at 30 September 2018		<u>19,355</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2018	2017
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

16. RESERVES

	Retained earnings
	£
At 1 October 2017	2,816,434
Profit for the year	1,114,451
Dividends	<u>(100,000)</u>
At 30 September 2018	<u>3,830,885</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

17. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following transactions with H.L Namli, the company's sole director have occurred during the year:

	2018	2017
	£	£
Rent payable	225,000	180,000
Dividends paid	100,000	1,300,000
	<u>325,000</u>	<u>1,480,000</u>
The amount owing to the Director as at 30.09.2018	1,191,434	1,521,672
Interest Payable in the period	89,434	107,796

18. ULTIMATE CONTROLLING PARTY

The controlling party is Mr H L Namli.