

COMPANY REGISTRATION NUMBER: 01838488

**ABS Brymar Floors Ltd**  
**Financial Statements**  
**31 July 2017**



**TWJ PARTNERSHIP LLP**  
Chartered accountant & statutory auditor  
The Moorings  
Dane Road Industrial Estate  
Dane Road  
Sale  
Cheshire  
M33 7BP

# **ABS Brymar Floors Ltd**

## **Financial Statements**

**Year ended 31 July 2017**

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# ABS Brymar Floors Ltd

## Strategic Report

Year ended 31 July 2017

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### REVIEW OF BUSINESS

The principal activity of the company during the year was the construction of high specification concrete slab floors. In the year under review, the company continues to be accredited under ISO 9001.

The results and position of the company as set out on pages 9 to 11 of these financial statements are considered encouraging.

The result of the UK's 2016 EEC referendum has not had the negative impact on the economy that many forecasters predicted it would have and the director is confident that 2018 will see both turnover and profit levels remain reasonably consistent to those of the current financial year.

### PRINCIPAL RISKS AND UNCERTAINTIES

As is typical in our industry, insurance costs contribute significantly to the company's overheads and warranty claims are an inevitable issue in the industry. The company however has a very good record in managing claims and most issues are resolved by our remedial staff. However, in the unlikely event of a successful claim being made, the company carries a substantial level of Professional Indemnity cover.

In respect of external factors, the company also continues to face risks and uncertainties, mainly the level of liquidity in the general economy and the level of activity in the economy. One of the principal risks remains that of the potential failure of a significant customer. The company protects itself against this risk by carrying Credit Insurance cover over the company's trade debts. The demand continues for the company's product and gross margins have been broadly maintained.

The company is aware that risks, uncertainties and unforeseen events outside the company's control may from time to time affect future planning for the development and operation of the business, but we are very confident that the company has the business profile, experience and skills to react firmly to these occurrences.

### DEVELOPMENT AND PERFORMANCE

The company continues to enhance its reputation and it is our belief that the company's reputation is at its highest level in over 30 years in its chosen market because of our focus and attention to detail. We believe that it is this that will sustain the company in the years to come.

Future developments will come from a combination of organic growth as the sector continues to recover, and the participation in major projects.

### FINANCIAL KEY PERFORMANCE INDICATORS

The directors are obliged to report financial key performance indicators and consider the following are the most relevant and appropriate: -

	2017	2016
Sales	£20,945,148	£22,429,865
Operating profit	£238,124	£259,207
Operating margins	1.1%	1.2%
Profit on ordinary activities before tax	£238,331	£264,599
EBITDA	£238,124	£259,407
ROCE	22.8%	32.6%
Gearing	6.3	9.5
Current ratio	1.2	1.1

# **ABS Brymar Floors Ltd**

## **Strategic Report** *(continued)*

**Year ended 31 July 2017**

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This report was approved by the board of directors on 27 March 2018 and signed on behalf of the board by:



Mr N J Cable  
Director

Trading address:  
Unit 10  
Dane Road Industrial Estate  
Sale  
Manchester  
M33 7BH

# **ABS Brymar Floors Ltd**

## **Director's Report**

**Year ended 31 July 2017**

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The director presents his report and the financial statements of the company for the year ended 31 July 2017.

### **Director**

The director who served the company during the year was as follows:

Mr N J Cable

### **Dividends**

Particulars of recommended dividends are detailed in note 11 to the financial statements.

### **Disclosure of information in the strategic report**

The Strategic Report for the company is shown on page 2 of the financial statements.

### **Director's responsibilities statement**

The director is responsible for preparing the strategic report, director's report 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 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 judgments 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 them 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.

### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

# **ABS Brymar Floors Ltd**

## **Director's Report** *(continued)*

**Year ended 31 July 2017**

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This report was approved by the board of directors on 27 March 2018 and signed on behalf of the board by:



Mr N J Cable  
Director

Trading address:  
Unit 10  
Dane Road Industrial Estate  
Sale  
Manchester  
M33 7BH

## **ABS Brymar Floors Ltd**

### **Independent Auditor's Report to the Member of ABS Brymar Floors Ltd**

**Year ended 31 July 2017**

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#### **Opinion**

We have audited the financial statements of ABS Brymar Floors Ltd for the year ended 31 July 2017 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's member, 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 member those matters we are required to state to them in an auditor's 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

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

# **ABS Brymar Floors Ltd**

## **Independent Auditor's Report to the Member of ABS Brymar Floors Ltd *(continued)***

**Year ended 31 July 2017**

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### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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.

### **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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report 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 director's report.

We have nothing to report in respect of the following matters in relation to which 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 the director**

As explained more fully in the director's responsibilities statement, 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 is 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.



## **ABS Brymar Floors Ltd**

### **Independent Auditor's Report to the Member of ABS Brymar Floors Ltd (continued)**

**Year ended 31 July 2017**

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#### **Auditor's 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 an auditor's report 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A Richard Whitehead B Com FCA (Senior Statutory Auditor)

For and on behalf of  
TWJ Partnership LLP  
Chartered accountant & statutory auditor  
The Moorings  
Dane Road Industrial Estate  
Dane Road  
Sale  
Cheshire  
M33 7BP

27 March 2018

**ABS Brymar Floors Ltd**  
**Statement of Income and Retained Earnings**  
**Year ended 31 July 2017**

		2017 £	2016 £
<b>Turnover</b>	Note 4	20,945,148	22,429,865
Cost of sales		16,674,353	17,815,997
<b>Gross profit</b>		4,270,795	4,613,868
Administrative expenses		4,033,409	4,355,897
Other operating income		738	1,235
<b>Operating profit</b>	5	238,124	259,206
Other interest receivable and similar income	9	207	5,393
<b>Profit before taxation</b>		238,331	264,599
Tax on profit	10	(9,860)	53,111
<b>Profit for the financial year and total comprehensive income</b>		<u>248,191</u>	<u>211,488</u>
Dividends paid and payable	11	–	(200,000)
<b>Retained earnings at the start of the year</b>		664,405	652,917
<b>Retained earnings at the end of the year</b>		<u>912,596</u>	<u>664,405</u>

All the activities of the company are from continuing operations.

The notes on pages 11 to 19 form part of these financial statements.

**ABS Brymar Floors Ltd**  
**Statement of Financial Position**


**31 July 2017**

		2017		2016	
	Note	£	£	£	£
<b>Current assets</b>					
Stocks	13	109,326		103,758	
Debtors	14	4,688,204		6,254,446	
Cash at bank and in hand		1,860,894		603,439	
		<u>6,658,424</u>		<u>6,961,643</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>5,615,461</u>		<u>6,166,238</u>	
<b>Net current assets</b>			<u>1,042,963</u>		<u>795,405</u>
<b>Total assets less current liabilities</b>			<u>1,042,963</u>		<u>795,405</u>
<b>Provisions</b>					
Taxation including deferred tax	16	(633)		—	
Other provisions	16	<u>130,000</u>		<u>130,000</u>	
			<u>129,367</u>		<u>130,000</u>
<b>Net assets</b>			<u><u>913,596</u></u>		<u><u>665,405</u></u>
<b>Capital and reserves</b>					
Called up share capital	19		1,000		1,000
Profit and loss account	20		<u>912,596</u>		<u>664,405</u>
<b>Member funds</b>			<u><u>913,596</u></u>		<u><u>665,405</u></u>

These financial statements were approved by the board of directors and authorised for issue on 27 March 2018, and are signed on behalf of the board by:

Mr N J Cable  
Director

Company registration number: 01838488



The notes on pages 11 to 19 form part of these financial statements.

# ABS Brymar Floors Ltd

## Statement of Cash Flows

Year ended 31 July 2017

	2017 £	2016 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	248,191	211,488
<i>Adjustments for:</i>		
Depreciation of tangible assets	–	200
Other interest receivable and similar income	(207)	(5,393)
Tax on profit	(9,860)	53,111
Accrued (income)/expenses	(328,279)	6,213
<i>Changes in:</i>		
Stocks	(5,568)	33,576
Trade and other debtors	1,566,242	206,935
Trade and other creditors	(1,456,174)	121,580
Cash generated from operations	14,345	627,710
Interest received	207	5,393
Tax received/(paid)	3,165	(90,007)
Net cash from operating activities	<u>17,717</u>	<u>543,096</u>
<b>Cash flows from financing activities</b>		
Proceeds from loans from group undertakings	1,161,738	29,573
Proceeds from loans from related undertakings	78,000	(17,600)
Dividends paid	–	(200,000)
Net cash from/(used in) financing activities	<u>1,239,738</u>	<u>(188,027)</u>
<b>Net increase in cash and cash equivalents</b>	1,257,455	355,069
<b>Cash and cash equivalents at beginning of year</b>	<u>603,439</u>	<u>248,370</u>
<b>Cash and cash equivalents at end of year</b>	<u>1,860,894</u>	<u>603,439</u>

The notes on pages 11 to 19 form part of these financial statements.

**ABS Brymar Floors Ltd**  
**Notes to the Financial Statements**

**Year ended 31 July 2017**

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**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 1A The Moorings, Dane Road Industrial Estate, Dane Road, Sale, Cheshire, M33 7BH.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**3. Accounting policies**

**(a) Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**(b) Management charges**

Management charges are payable on a performance related basis. The company accounts for and pays them in the year in which they are incurred.

**(c) Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Depreciation
- Stock
- Bad debt provision

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Warranties & provisions

**(d) Revenue recognition**

Turnover represents the value of work done in the year. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

# ABS Brymar Floors Ltd

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

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### 3. Accounting policies *(continued)*

#### (e) Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### (f) Operating leases

All plant and vehicles are hired under operating leases from the holding company which retains title to the assets. Lease terms for plant and vehicles vary between 3 and 5 years duration. The company occupies property owned by Jordan Developments under a lease originally of 12 years.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period lease.

#### (g) Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### (h) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant & machinery	-	20% straight line
Fixtures & fittings	-	20% straight line
Office equipment	-	20% straight line

#### (i) Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

# ABS Brymar Floors Ltd

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

### 3. Accounting policies *(continued)*

#### (j) Stocks & work in progress

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

Work in progress is valued on the basis of direct cost plus attributable overheads based on normal level of activity. Provision is made for any unforeseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### (k) Warranties & provisions

Warranties are made on specific work executed. Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event. It is probable that the entity will be required to transfer economic benefits in settlement. They are recognised as a liability in the statement of financial position and the amount as an expense.

Provisions are initially measured based on the director's best estimate of the most realistic, anticipated outcome, based on the available information subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss.

#### (l) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### (m) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

### 4. Turnover

Turnover arises from:

	2017 £	2016 £
Construction contracts	20,945,148	22,429,865

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

### 5. Operating profit

Operating profit or loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible assets	—	200
Cost of stocks recognised as an expense	12,414,651	13,758,953
Impairment of trade debtors	(5,286)	(442)
Operating lease rentals: plant and machinery	283,811	212,572
Operating lease rentals: other	104,060	132,403

# ABS Brymar Floors Ltd

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

### 6. Auditor's remuneration

	2017	2016
	£	£
Fees payable for the audit of the financial statements	<u>8,500</u>	<u>8,500</u>

### 7. Staff costs

The average number of persons employed by the company during the year, including the director, amounted to:

	2017	2016
	No.	No.
Production staff	52	50
Administrative staff	3	3
Management staff	<u>11</u>	<u>11</u>
	<u>66</u>	<u>64</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017	2016
	£	£
Wages and salaries	2,378,574	2,473,636
Social security costs	245,196	263,843
Other pension costs	<u>12,522</u>	<u>12,222</u>
	<u>2,636,292</u>	<u>2,749,701</u>

### 8. Director's remuneration

The director's aggregate remuneration in respect of qualifying services was:

	2017	2016
	£	£
Remuneration	48,000	104,000
Company contributions to defined contribution pension plans	<u>480</u>	<u>880</u>
	<u>48,480</u>	<u>104,880</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2017	2016
	No.	No.
Defined contribution plans	<u>1</u>	<u>3</u>

### 9. Other interest receivable and similar income

	2017	2016
	£	£
Interest on loans and receivables	14	19
Interest on cash and cash equivalents	<u>193</u>	<u>5,374</u>
	<u>207</u>	<u>5,393</u>



# ABS Brymar Floors Ltd

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

### 10. Tax on profit

#### Major components of tax (income)/expense

	2017 £	2016 £
<b>Current tax:</b>		
UK current tax expense	47,049	53,111
Adjustments in respect of prior periods	(56,276)	—
Total current tax	<u>(9,227)</u>	<u>53,111</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(633)	—
<b>Tax on profit</b>	<u>(9,860)</u>	<u>53,111</u>

#### Reconciliation of tax (income)/expense

The tax assessed on the profit on ordinary activities for the year is lower than (2016: higher than) the standard rate of corporation tax in the UK of 19.70% (2016: 20%).

	2017 £	2016 £
Profit on ordinary activities before taxation	238,331	264,599
Profit on ordinary activities by rate of tax	46,870	52,919
Adjustment to tax charge in respect of prior periods	(56,276)	—
Effect of expenses not deductible for tax purposes	318	324
Effect of capital allowances and depreciation	(139)	(132)
<b>Tax on profit</b>	<u>(9,227)</u>	<u>53,111</u>

### 11. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2017 £	2016 £
Equity dividends on ordinary shares	—	200,000

Dividends proposed after the year end and not recognised as a liability:

	2017 £	2016 £
Equity dividends on ordinary shares	<u>200,000</u>	—

**ABS Brymar Floors Ltd**  
**Notes to the Financial Statements** *(continued)*

**Year ended 31 July 2017**

**12. Tangible assets**

	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
<b>Cost</b>				
At 1 August 2016 and 31 July 2017	<u>70,100</u>	<u>30,086</u>	<u>43,794</u>	<u>143,980</u>
<b>Depreciation</b>				
At 1 August 2016 and 31 July 2017	<u>70,100</u>	<u>30,086</u>	<u>43,794</u>	<u>143,980</u>
<b>Carrying amount</b>				
At 31 July 2017	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

**13. Stocks**

	2017 £	2016 £
Raw materials and consumables	100,658	103,758
Work in progress	<u>8,668</u>	<u>—</u>
	<u>109,326</u>	<u>103,758</u>

**14. Debtors**

	2017 £	2016 £
Trade debtors	4,671,364	4,629,102
Amounts owed by group undertakings	—	1,570,890
Prepayments and accrued income	16,357	53,985
Director's loan account	<u>483</u>	<u>469</u>
	<u>4,688,204</u>	<u>6,254,446</u>

The debtors above include the following amounts falling due after more than one year:

	2017 £	2016 £
Trade debtors	<u>375,092</u>	<u>392,601</u>

**15. Creditors: amounts falling due within one year**

	2017 £	2016 £
Trade creditors	2,066,263	3,573,237
Amounts owed to group undertakings	1,232,153	70,415
Amounts owed to related undertakings	102,000	24,000
Accruals and deferred income	1,953,669	2,281,948
Corporation tax	47,049	53,111
Social security and other taxes	212,512	162,567
Other creditors	<u>1,815</u>	<u>960</u>
	<u>5,615,461</u>	<u>6,166,238</u>

**ABS Brymar Floors Ltd**  
**Notes to the Financial Statements** *(continued)*

**Year ended 31 July 2017**

**16. Provisions**

	Warranties £	Deferred tax (note 17) £	Total £
At 1 August 2016	130,000	–	130,000
Additions	–	(633)	(633)
<b>At 31 July 2017</b>	<u>130,000</u>	<u>(633)</u>	<u>129,367</u>

The company has made full provision in respect of expected future costs that are considered likely to crystallise in the foreseeable future.

**17. Deferred tax**

The deferred tax included in the statement of financial position is as follows:

	2017 £	2016 £
Included in provisions (note 16)	<u>(633)</u>	<u>–</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017 £	2016 £
Accelerated capital allowances	<u>(633)</u>	<u>–</u>

**18. Employee benefits**

**Defined contribution plans**

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £12,522 (2016: £12,222).

**19. Called up share capital**

**Issued, called up and fully paid**

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

**20. Reserves**

Profit and loss account - This reserve records retained earnings and accumulated losses.

# ABS Brymar Floors Ltd

## Notes to the Financial Statements (continued)

Year ended 31 July 2017

### 21. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	63,415	31,975
Later than 1 year and not later than 5 years	462,986	624,492
Later than 5 years	494,931	589,268
	<u>1,021,332</u>	<u>1,245,735</u>

### 22. Contingencies

#### Warranties

The company holds indemnity insurance in respect of warranty claims. In accordance with the company's accounting policy, no general provision is made, but specific provision for the anticipated uninsured remedial cost is made in the year of the claim arising in so far as the directors consider that a liability exists or will exist.

It is not practicable to calculate the potential value of all outstanding warranties, but the directors consider that the success of any material unprovided warranty claim is remote.

### 23. Director's advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

	2017			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr T F Jordan	—	—	—	—
Mr M P O'Connor	—	—	—	—
Mr N J Cable	469	14	—	483
	<u>469</u>	<u>14</u>	<u>—</u>	<u>483</u>
	2016			
	Balance brought forward	Advances/ (credits) to the director	Amounts repaid	Balance outstanding
	£	£	£	£
Mr T F Jordan	24	1	(25)	—
Mr M P O'Connor	(78)	—	78	—
Mr N J Cable	451	18	—	469
	<u>397</u>	<u>19</u>	<u>53</u>	<u>469</u>

# ABS Brymar Floors Ltd

## Notes to the Financial Statements *(continued)*

Year ended 31 July 2017

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### 24. Related party transactions

The company was controlled throughout the year by the director of the company, Mr N Cable, who was also director of the parent company Manchester Urban Finance Corporation Limited. Mr Cable was also the controlling partner of Kontrad LLP.

#### Management services provided by:

	2017	2016
	£	£
Kontrad LLP	270,000	50,000

#### Commercial trade balances due to:

	2017	2016
	£	£
Kontrad LLP	102,000	24,000

### 25. Controlling party

The immediate parent company is Manchester Urban Finance Corporation Limited, a company incorporated in the UK, which owns 100% of the issued share capital. The company is ultimately controlled by its director.