

Tulchan Textiles Limited
Annual Report and Unaudited Financial Statements
For the Year Ended 31 March 2017



Tulchan Textiles Limited

Company Information

Directors

M Needham
S M Watson

Company number

01872211

Registered office

Waterlinks Investments Limited
TS2 Pinewood Business Park
Coleshill Road
Birmingham
B37 7HG

Accountants

Edwards
34 High Street
Aldridge
Walsall
West Midlands
WS9 8LZ

Bankers

Barclays Bank PLC
PO Box 3333
One Snow Hill
Snow Hill Queensway
Birmingham
B3 2WN

Tulchan Textiles Limited

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Tulchan Textiles Limited

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2017

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

Principal activities

The principal activity of the company during the year was the design and wholesaling of women's clothing.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M Needham
S M Watson

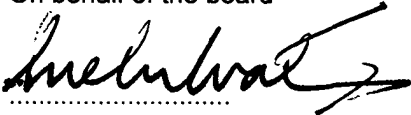
Results and dividends

The results for the year are set out on page 6.

Dividends of £ 62,700 were paid.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



S M Watson

Director

13 June 2017

Tulchan Textiles Limited

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
Turnover		2,146,591	2,648,916
Cost of sales		<u>890,073</u>	<u>1,023,071</u>
Gross profit		1,256,519	1,625,845
Distribution and selling costs		(30,435)	(30,633)
Administrative expenses		<u>(1,375,077)</u>	<u>(1,513,764)</u>
Operating (Loss)/Profit		(148,993)	81,448
Net Interest Payable		<u>(2,786)</u>	<u>(2,755)</u>
Profit/(Loss) on ordinary activities before taxation		(151,779)	78,693
Taxation		<u>22,995</u>	<u>(16,147)</u>
Profit/(Loss) on ordinary activities after taxation		(128,784)	62,546
Retained earnings at 1 April 2016		642,822	641,323
Dividends		(62,700)	(61,047)
Retained earnings at 31 March 2017		<u><u>451,339</u></u>	<u><u>642,822</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Tulchan Textiles Limited

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	3		51,164		92,291
Current assets					
Stocks		437,327		465,071	
Debtors	4	322,983		483,705	
Cash at bank and in hand					
			<u>760,309</u>	<u>948,776</u>	
Creditors: amounts falling due within one year	5	<u>(338,134)</u>		<u>(364,615)</u>	
Net current assets			<u>422,175</u>		<u>584,161</u>
Total assets less current liabilities			473,339		676,452
Provisions for liabilities					(11,630)
Net assets			<u>473,339</u>		<u>664,822</u>
Capital and reserves					
Called up share capital	6		22,000		22,000
Profit and loss reserves			451,339		642,822
Total equity			<u>473,339</u>		<u>664,822</u>

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 13th June 2017 and are signed on its behalf by:



S M Watson
Director

Company Registration No. 01872211

Tulchan Textiles Limited

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Tulchan Textiles Limited is a limited company domiciled and incorporated in England and Wales. The registered office is TS2 Pinewood Business Park, Coleshill Road, Birmingham. B37 7HG

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Sales are recognised at the point at which the company has fulfilled its contractual obligations to the customer.

1.4 Tangible fixed assets

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

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

Fixtures, fittings and equipment	20% straight line
Computer equipment	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, Cost of stock is calculated using the first in, first out method.

Tulchan Textiles Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors

Short term trade debtors are measured at transaction price, less any impairment.

Creditors

Short term trade creditors are measured at transaction price.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Tulchan Textiles Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.11 Research and development

Research and development expenditure is written off to the profit and loss account in the year in which it is incurred.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 19 (2016 - 23).

3 Tangible fixed assets

	Fixtures fittings & tooling £	Computer Equipment £	Total £
Cost			
At 1 April 2016	180,581	155,551	336,132
Additions		1,111	1,111
Disposals	(148,071)	(93,712)	(241,783)
At 31 March 2017	<u>32,510</u>	<u>62,951</u>	<u>95,461</u>
Depreciation and impairment			
At 1 April 2016	157,939	85,902	243,841
Depreciation charged for the year	9,381	32,858	42,239
Eliminated in respect of Disposals	(148,071)	(93,712)	(241,783)
At 31 March 2017	<u>19,249</u>	<u>25,048</u>	<u>44,297</u>
Carrying value:			
At 31 March 2017	<u>13,261</u>	<u>37,903</u>	<u>51,164</u>
At 1 April 2016	<u>22,642</u>	<u>69,649</u>	<u>92,291</u>

Tulchan Textiles Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	257,482	407,851
Amounts due from related undertakings	665	2,056
Prepayments and accrued income	64,835	73,798
	<u>322,983</u>	<u>483,705</u>

5 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	45,636	106,098
Corporation tax	-	6,656
Other taxation and social security	52,779	118,592
Amounts due to related undertakings	-	10,043
Accruals and deferred income	32,628	74,203
Bank Overdraft	207,092	49,023
	<u>338,134</u>	<u>364,615</u>

6 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
22,000 Ordinary shares of £1 each	<u>22,000</u>	<u>22,000</u>

7 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable leases, as follows:

	2017	2016
	£	£
Within one year	139,854	138,372
Between two and five years	58,184	148,806
Total	<u>198,038</u>	<u>287,178</u>

Tulchan Textiles Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

8 Parent company

The ultimate controlling party is Tulchan Windflower (Holdings) Limited. Copies of the accounts for Tulchan Windflower (Holdings) Limited are available from the company's registered office, TS2 Pinewood Business Park, Coleshill Road, Solihull B37 7HG