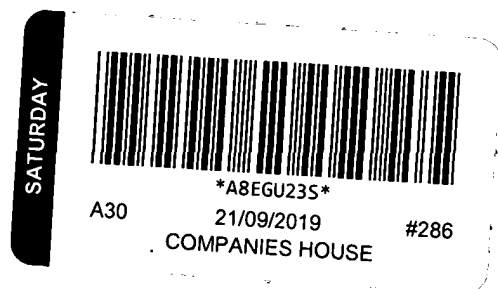


FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

FOR

DRUMMONDS BATHROOMS LTD.



DRUMMONDS BATHROOMS LTD.

CONTENTS OF THE FINANCIAL STATEMENTS  
for the Year Ended 31 December 2018

	Page
Company Information	1
Statement of Financial Position	2
Notes to the Financial Statements	3

DRUMMONDS BATHROOMS LTD.

COMPANY INFORMATION  
for the Year Ended 31 December 2018

**DIRECTORS:**

D J H Shaw  
S P Whitby  
J J Lentaigne  
A H Scott  
M U A Alen-Buckley

**SECRETARY:**

S P Whitby

**REGISTERED OFFICE:**

Unit 2C Henley Business Park  
Pirbright Road  
Normandy  
Guildford  
Surrey  
GU3 2DX

**REGISTERED NUMBER:**

02246807 (England and Wales)

**AUDITORS:**

A & N (Haslemere) Limited  
Aruna House  
2 Kings Road  
Haslemere  
Surrey  
GU27 2QA

STATEMENT OF FINANCIAL POSITION

31 December 2018

	Notes	31.12.18 £	£	31.12.17 £	£
<b>FIXED ASSETS</b>					
Tangible assets	3		1,895,971		1,301,012
Investments	4		766,644		306,396
			<hr/>		<hr/>
			2,662,615		1,607,408
<b>CURRENT ASSETS</b>					
Stocks		1,273,075		1,187,017	
Debtors	5	389,960		335,544	
Cash at bank and in hand		1,663,611		1,647,293	
		<hr/>		<hr/>	
		3,326,646		3,169,854	
<b>CREDITORS</b>					
Amounts falling due within one year	6	1,439,051		1,095,216	
		<hr/>		<hr/>	
<b>NET CURRENT ASSETS</b>			1,887,595		2,074,638
			<hr/>		<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			4,550,210		3,682,046
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		(486,250)		(509,932)
<b>PROVISIONS FOR LIABILITIES</b>	9		(4,456)		(13,740)
			<hr/>		<hr/>
<b>NET ASSETS</b>			4,059,504		3,158,374
			<hr/>		<hr/>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			515,494		515,494
Share premium			587,871		587,871
Revaluation reserve	10		1,028,722		362,334
Retained earnings			1,927,417		1,692,675
			<hr/>		<hr/>
<b>SHAREHOLDERS' FUNDS</b>			4,059,504		3,158,374
			<hr/>		<hr/>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors on 12 September 2019 and were signed on its behalf by:



S P Whitby - Director

NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 December 2018

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements for year ended 31 December 2016 and its comparatives are presented in accordance with Section 1A "Small Entities" of Financial Reporting Standard 102. Previously the basis of preparation was under the historic cost convention in accordance with Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

The revision of reporting standard has no resulted in any adjustments to the financial statements.

**Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts. Revenue is recognised in accordance to the goods or services being supplied. This is usually the date of supply. Where goods are ordered in advance of supply an initial non-refundable deposit is issued and recognised at the date of order, and further invoices are issued and recognised at the date goods first become available for delivery.

**Tangible fixed assets**

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

Short leasehold	- in accordance with the property
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 20% on cost

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised initially at cost and then assessed annually for any impairment below cost.

**Stocks**

Stocks are valued at the lower of cost net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

**Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss accounts.

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2018

1. **ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets, Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives, Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

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

2. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 16 (2017 - 16).

3. **TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
<b>COST OR VALUATION</b>			
At 1 January 2018	1,300,528	14,271	267,762
Additions	-	1,535	3,135
Revaluations	560,350	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2018	1,860,878	15,806	270,897
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 January 2018	86,028	11,602	206,773
Charge for year	28,520	928	50,660
Revaluation adjustments	(114,548)	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2018	-	12,530	257,433
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 December 2018	1,860,878	3,276	13,464
	<hr/>	<hr/>	<hr/>
At 31 December 2017	1,214,500	2,669	60,989
	<hr/>	<hr/>	<hr/>

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2018

3. **TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2018	37,395	29,377	1,649,333
Additions	-	4,999	9,669
Revaluations	-	-	560,350
	<hr/>	<hr/>	<hr/>
At 31 December 2018	37,395	34,376	2,219,352
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 January 2018	21,652	22,266	348,321
Charge for year	5,431	4,069	89,608
Revaluation adjustments	-	-	(114,548)
	<hr/>	<hr/>	<hr/>
At 31 December 2018	27,083	26,335	323,381
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 December 2018	10,312	8,041	1,895,971
	<hr/>	<hr/>	<hr/>
At 31 December 2017	15,743	7,111	1,301,012
	<hr/>	<hr/>	<hr/>

Cost or valuation at 31 December 2018 is represented by:

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
Valuation in 2015	300,000	-	-
Valuation in 2018	560,350	-	-
Cost	1,000,528	15,806	270,897
	<hr/>	<hr/>	<hr/>
	1,860,878	15,806	270,897
	<hr/>	<hr/>	<hr/>
	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2015	-	-	300,000
Valuation in 2018	-	-	560,350
Cost	37,395	34,376	1,359,002
	<hr/>	<hr/>	<hr/>
	37,395	34,376	2,219,352
	<hr/>	<hr/>	<hr/>

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2018

3. **TANGIBLE FIXED ASSETS - continued**

If the leasehold property had not been revalued it would have been included at the following historical cost:

	31.12.18	31.12.17
	£	£
Cost	1,000,528	1,000,528
Aggregate depreciation	87,861	87,861
Value of land in freehold land and buildings	1,300,528	1,300,528

Leasehold building was valued on an open market basis on 10 April 2019 by Curchod & Co.

4. **FIXED ASSET INVESTMENTS**

	Unlisted investments in subsidiary companies £
<b>COST</b>	
At 1 January 2018	306,396
Additions	460,248
At 31 December 2018	766,644
<b>NET BOOK VALUE</b>	
At 31 December 2018	766,644
At 31 December 2017	306,396

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

**Drummonds SP Zoo**

Registered office: Lipinskiego 109, 38-500 Sanok, Poland

Nature of business: Sanitary Manufacturers

	%	31.12.18	31.12.17
	holding	£	£
Class of shares:			
Ordinary	84.12		
Aggregate capital and reserves		1,104,497	837,895
(Loss)/profit for the year		(188,167)	15,817

Additional investment of £460,248 was made during the year ended 31 December 2018.



DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2018

4. **FIXED ASSET INVESTMENTS - continued**

**Drummond Bathrooms Inc.**

Registered office: A & D Building, 150 East 58th Street, New York, NY 10155, USA

Nature of business: Bathroom Retailer

	%		
Class of shares:	holding		
Common Stock	100.00	31.12.18	31.12.17
		£	£
Aggregate capital and reserves		(300,185)	(132,641)
Loss for the year		(160,561)	(42,942)
		<u>          </u>	<u>          </u>

Drummonds Bathroom Inc. was incorporated on 23 March 2016. An initial investment of £34,750 was made at this time.

5. **DEBTORS**

	31.12.18	31.12.17
	£	£
Amounts falling due within one year:		
Trade debtors	232,445	181,690
Other debtors	18,234	22,667
Directors' current accounts	15,000	-
Prepayments	60,281	59,634
	<u>325,960</u>	<u>263,991</u>
Amounts falling due after more than one year:		
Other debtors	<u>64,000</u>	<u>71,553</u>
Aggregate amounts	<u>389,960</u>	<u>335,544</u>

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.18	31.12.17
	£	£
Bank loans and overdrafts	24,580	24,580
Other loans	10,000	10,000
Trade creditors	199,626	203,601
Tax	103,141	57,490
Social security and other taxes	18,725	14,028
VAT	106,399	139,286
Other creditors	847,670	470,879
Accrued expenses	128,910	175,352
	<u>1,439,051</u>	<u>1,095,216</u>

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.18	31.12.17
	£	£
Bank loans - 1-2 years	25,080	25,080
Bank loans - 2-5 years	76,240	76,240
Bank loans more 5 yr by instal	384,930	408,612
	<u>486,250</u>	<u>509,932</u>

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2018

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued**

	31.12.18	31.12.17
	£	£
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>384,930</u>	<u>408,612</u>

8. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.18	31.12.17
	£	£
Bank loans	<u>510,830</u>	<u>534,512</u>

HSBC Bank PLC holds a charge over all monies and liabilities whatever, whenever and howsoever incurred by the Company whether now or in the future.

9. **PROVISIONS FOR LIABILITIES**

	31.12.18	31.12.17
	£	£
Deferred tax	<u>4,456</u>	<u>13,740</u>
		Deferred tax
		£
Balance at 1 January 2018		13,740
Accelerated capital allowances		<u>(9,284)</u>
Balance at 31 December 2018		<u>4,456</u>

10. **RESERVES**

	Revaluation reserve
	£
At 1 January 2018	362,334
Leasehold revaluation	<u>666,388</u>
At 31 December 2018	<u>1,028,722</u>

11. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Mrs Anugrah Sharma (Senior Statutory Auditor)  
for and on behalf of A & N (Haslemere) Limited

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2018

**12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 December 2018 and 31 December 2017:

	31.12.18	31.12.17
	£	£
<b>D J H Shaw</b>		
Balance outstanding at start of year	-	-
Amounts advanced	15,000	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>15,000</u>	<u>-</u>

**13. RELATED PARTY DISCLOSURES**

Whilst the company could take advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group the following disclosure is made to ensure it presents a true and fair view of the financial statements.

During the year sales of £668,330 were made to subsidiary companies (2017 - £687,902), whilst purchases of £1,647,835 (2017 - £1,738,455) were made from subsidiary companies. All such relationships are conducted on an arms length basis. At 31/12/2018 £232,584 was owed by subsidiary companies (2017 - £149,915 owed to subsidiary companies). These figures are summarised from individual balances disclosed under trade debtors, trade creditors, and other creditors due in less than one year.

During the year interim dividends of 27.94 pence per share were paid to directors (2017 - 23.280 pence per share).

**14. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

In common with many other businesses of our size and nature we use our auditors to provide tax advice and to represent us, as necessary, at tax tribunals.

**15. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is D J H Shaw.