

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

FOR

DRUMMONDS BATHROOMS LTD.



DRUMMONDS BATHROOMS LTD.

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for the Year Ended 31 December 2017

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DRUMMONDS BATHROOMS LTD.

COMPANY INFORMATION
for the Year Ended 31 December 2017

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 2017

	Notes	31.12.17 £	£	31.12.16 £	£
FIXED ASSETS					
Tangible assets	4		1,301,012		1,362,938
Investments	5		306,396		306,396
			<u>1,607,408</u>		<u>1,669,334</u>
CURRENT ASSETS					
Stocks		1,187,017		935,140	
Debtors	6	335,544		257,449	
Cash at bank and in hand		1,647,293		2,262,241	
		<u>3,169,854</u>		<u>3,454,830</u>	
CREDITORS					
Amounts falling due within one year	7	1,095,216		1,479,762	
NET CURRENT ASSETS			<u>2,074,638</u>		<u>1,975,068</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,682,046		3,644,402
CREDITORS					
Amounts falling due after more than one year	8		(509,932)		(534,691)
PROVISIONS FOR LIABILITIES	10		(13,740)		(19,700)
NET ASSETS			<u><u>3,158,374</u></u>		<u><u>3,090,011</u></u>
CAPITAL AND RESERVES					
Called up share capital			515,494		515,494
Share premium			587,871		587,871
Revaluation reserve	11		362,334		370,843
Retained earnings			1,692,675		1,615,803
SHAREHOLDERS' FUNDS			<u><u>3,158,374</u></u>		<u><u>3,090,011</u></u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

The financial statements were approved by the Board of Directors on 19/9/18 and were signed on its behalf by:


.....
S P Whitby - Director

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2017

1. STATUTORY INFORMATION

Drummonds Bathrooms Ltd. 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. 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 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 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.

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2017

2. **ACCOUNTING POLICIES - continued**

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.

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 16 (2016 - 16).

4. **TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST OR VALUATION			
At 1 January 2017	1,300,528	11,477	260,546
Additions	-	2,794	10,816
Disposals	-	-	(3,600)
	<hr/>	<hr/>	<hr/>
At 31 December 2017	1,300,528	14,271	267,762
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2017	57,509	10,969	157,319
Charge for year	28,519	633	52,694
Eliminated on disposal	-	-	(3,240)
	<hr/>	<hr/>	<hr/>
At 31 December 2017	86,028	11,602	206,773
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2017	1,214,500	2,669	60,989
	<hr/>	<hr/>	<hr/>
At 31 December 2016	1,243,019	508	103,227
	<hr/>	<hr/>	<hr/>

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2017

4. **TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 January 2017	28,945	32,278	1,633,774
Additions	16,500	1,495	31,605
Disposals	(8,050)	(4,396)	(16,046)
	<hr/>	<hr/>	<hr/>
At 31 December 2017	37,395	29,377	1,649,333
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2017	22,415	22,624	270,836
Charge for year	7,287	3,952	93,085
Eliminated on disposal	(8,050)	(4,310)	(15,600)
	<hr/>	<hr/>	<hr/>
At 31 December 2017	21,652	22,266	348,321
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2017	15,743	7,111	1,301,012
	<hr/>	<hr/>	<hr/>
At 31 December 2016	6,530	9,654	1,362,938
	<hr/>	<hr/>	<hr/>

Cost or valuation at 31 December 2017 is represented by:

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
Valuation in 2015	300,000	-	-
Cost	1,000,528	14,271	267,762
	<hr/>	<hr/>	<hr/>
	1,300,528	14,271	267,762
	<hr/>	<hr/>	<hr/>
	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2015	-	-	300,000
Cost	37,395	29,377	1,349,333
	<hr/>	<hr/>	<hr/>
	37,395	29,377	1,649,333
	<hr/>	<hr/>	<hr/>

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

	31.12.17 £	31.12.16 £
Cost	1,000,528	1,000,528
	<hr/>	<hr/>
Aggregate depreciation	87,861	87,861
	<hr/>	<hr/>
Value of land in freehold land and buildings	1,300,528	1,300,528
	<hr/>	<hr/>

Leasehold building was valued on an open market basis on 18 September 2015 by Wadham Isherwood.

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2017

5. **FIXED ASSET INVESTMENTS**

	Unlisted investments in subsidiary companies £
COST	
At 1 January 2017	
and 31 December 2017	306,396
NET BOOK VALUE	
At 31 December 2017	306,396
At 31 December 2016	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

	%		
Class of shares:	holding		
Ordinary	84.12	31.12.17	31.12.16
		£	£
Aggregate capital and reserves		837,895	752,787
Profit for the year		15,817	58,087

Additional investment of £101,466 made during the year ended 31 December 2016.

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	31.12.17	31.12.16
		£	£
Aggregate capital and reserves		(132,641)	(118,506)
Loss for the year		(42,942)	(138,502)

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

6. **DEBTORS**

	31.12.17	31.12.16
	£	£
Amounts falling due within one year:		
Trade debtors	181,690	116,073
Amounts owed by group undertakings	-	4,254
Other debtors	22,667	8,655
Prepayments	59,634	56,914
	263,991	185,896

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2017

6. **DEBTORS - continued**

	31.12.17	31.12.16
	£	£
Amounts falling due after more than one year:		
Other debtors	71,553	71,553
	<u>71,553</u>	<u>71,553</u>
Aggregate amounts	335,544	257,449
	<u>335,544</u>	<u>257,449</u>

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

	31.12.17	31.12.16
	£	£
Bank loans and overdrafts	24,580	24,580
Other loans	10,000	10,000
Trade creditors	203,601	357,446
Tax	57,490	142,075
Social security and other taxes	14,028	11,610
VAT	139,286	74,971
Other creditors	470,879	631,466
Accrued expenses	175,352	227,614
	<u>1,095,216</u>	<u>1,479,762</u>

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

	31.12.17	31.12.16
	£	£
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	408,612	433,371
	<u>509,932</u>	<u>534,691</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	408,612	433,371
	<u>408,612</u>	<u>433,371</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.17	31.12.16
	£	£
Bank loans	534,512	559,271
	<u>534,512</u>	<u>559,271</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.

10. **PROVISIONS FOR LIABILITIES**

	31.12.17	31.12.16
	£	£
Deferred tax	13,740	19,700
	<u>13,740</u>	<u>19,700</u>

DRUMMONDS BATHROOMS LTD.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2017

10. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 January 2017	19,700
Accelerated capital allowances	(5,960)
	<hr/>
Balance at 31 December 2017	13,740
	<hr/>

11. RESERVES

	Revaluation reserve £
At 1 January 2017	370,843
Leasehold revaluation	(8,509)
	<hr/>
At 31 December 2017	362,334
	<hr/>

12. 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

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 £687,902 were made to subsidiary companies (2016 - £145,200), whilst purchases of £1,738,455 (2016 - £1,450,423) were made from subsidiary companies. All such relationships are conducted on an arms length basis. At 31/12/2017 £149,915 was owed to subsidiary companies (2016 - £ 7,135 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 23.280 pence per share were paid to directors (2016 - 19.398 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.