

COMPANY REGISTRATION NUMBER: 03045181

Ready Rags UK Limited
Unaudited Financial Statements
31 March 2017

HOLLINGDALE POOLEY

Chartered accountant

Bramford House

23 Westfield Park

Clifton

Bristol

BS6 6LT

Ready Rags UK Limited

Financial Statements

Year ended 31 March 2017

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Ready Rags UK Limited

Directors' Report

Year ended 31 March 2017

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

Directors

The directors who served the company during the year were as follows:

Mr M A Wait

Mrs J D Wait

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 29 September 2017 and signed on behalf of the board by:

Mr M A Wait

Director

Registered office:

Unit 7, Adlams Works

Parnall Road Trading Estate

Fishponds

BRISTOL

BS16 3JG

Ready Rags UK Limited

Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Ready Rags UK Limited

Year ended 31 March 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Ready Rags UK Limited for the year ended 31 March 2017, which comprise the statement of income and retained earnings, statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us. As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/membership/regulations-standards-and-guidance. This report is made solely to the Board of Directors of Ready Rags UK Limited, as a body, in accordance with the terms of our engagement letter dated 3 March 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Ready Rags UK Limited and state those matters that we have agreed to state you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ready Rags UK Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Ready Rags UK Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Ready Rags UK Limited. You consider that Ready Rags UK Limited is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the financial statements of Ready Rags UK Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

HOLLINGDALE POOLEY Chartered accountant

Bramford House 23 Westfield Park Clifton Bristol BS6 6LT

29 September 2017

Ready Rags UK Limited

Statement of Income and Retained Earnings

Year ended 31 March 2017

		2017	2016
	Note	£	£
Turnover		208,150	248,449
Cost of sales		111,691	151,506
		-----	-----
Gross profit		96,459	96,943
Administrative expenses		81,126	83,451
		-----	-----
Operating profit		15,333	13,492
Other interest receivable and similar income		5	—
Interest payable and similar expenses		5,399	3,388
		-----	-----
Profit before taxation	5	9,939	10,104
Tax on profit		651	(959)
		-----	-----
Profit for the financial year and total comprehensive income		9,288	11,063
		-----	-----
Retained losses at the start of the year		(17,718)	(28,781)
		-----	-----
Retained losses at the end of the year		(8,430)	(17,718)
		-----	-----

All the activities of the company are from continuing operations.

Ready Rags UK Limited

Statement of Financial Position

31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	7	33,390	25,932
Current assets			
Stocks	8	28,172	36,295
Debtors	9	41,698	44,879
Cash at bank and in hand		149	317
		70,019	81,491
Creditors: amounts falling due within one year	10	82,231	81,870
Net current liabilities		12,212	379
Total assets less current liabilities		21,178	25,553
Creditors: amounts falling due after more than one year	11	24,608	38,271
Net liabilities		(3,430)	(12,718)
Capital and reserves			
Called up share capital		5,000	5,000
Profit and loss account		(8,430)	(17,718)
Members deficit		(3,430)	(12,718)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

Directors responsibilities:

- 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 ;

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

These financial statements were approved by the board of directors and authorised for issue on 29 September 2017 , and are signed on behalf of the board by:

Mr M A Wait

Director

Company registration number: 03045181

Ready Rags UK Limited

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 7, Adlams Works, Parnall Road Trading Estate, Fishponds, BRISTOL, BS16 3JG.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

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 and investment properties measured at fair value through profit or loss.

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

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 14.

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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

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.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

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. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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 and machinery	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Equipment	-	33% reducing balance

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. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

4. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to 5 (2016: 5).

5. Profit before taxation

Profit before taxation is stated after charging:

	2017	2016
	£	£
Depreciation of tangible assets	6,424	8,562

6. Intangible assets

	Goodwill
	£
Cost	
At 1 Apr 2016 and 31 Mar 2017	33,000
Amortisation	
At 1 Apr 2016 and 31 Mar 2017	33,000
Carrying amount	
At 31 March 2017	—

7. Tangible assets

	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 April 2016	13,714	53,583	6,007	73,304
Additions	—	15,773	—	15,773
Disposals	—	(14,160)	—	(14,160)
At 31 March 2017	13,714	55,196	6,007	74,917
Depreciation				
At 1 April 2016	12,854	28,858	5,660	47,372
Charge for the year	129	6,181	114	6,424
Disposals	—	(12,269)	—	(12,269)
At 31 March 2017	12,983	22,770	5,774	41,527
Carrying amount				
At 31 March 2017	731	32,426	233	33,390
At 31 March 2016	860	24,725	347	25,932

8. Stocks

	2017 £	2016 £
Raw materials and consumables	28,172	36,295

9. Debtors

	2017 £	2016 £
Trade debtors	37,663	41,658
Other debtors	4,035	3,221
	41,698	44,879

10. Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	13,941	14,733
Trade creditors	24,630	24,588
Corporation tax	651	—
Social security and other taxes	483	695
Other creditors	42,526	41,854
	82,231	81,870

11. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Other creditors	24,608	38,271

12. Directors' advances, credits and guarantees

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

2017

	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr M A Wait	(9,893)	(15,429)	26,254	932
Mrs J D Wait	(9,893)	(15,429)	26,255	933
	-----	-----	-----	-----
	(19,786)	(30,858)	52,509	1,865
	-----	-----	-----	-----

2016

	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr M A Wait	(31,355)	(5,318)	26,780	(9,893)
Mrs J D Wait	(31,356)	(5,318)	26,781	(9,893)
	-----	-----	-----	-----
	(62,711)	(10,636)	53,561	(19,786)
	-----	-----	-----	-----

13. Related party transactions

During the year, the company paid rent to the directors of £14,400 (2016 - £14,400) for the use of premises owned by the directors.

14. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in equity or profit or loss for the year.

Ready Rags UK Limited

Management Information

Year ended 31 March 2017

The following pages do not form part of the financial statements.

Ready Rags UK Limited

Detailed Income Statement

Year ended 31 March 2017

	2017	2016
	£	£
Turnover	208,150	248,449
Cost of sales		
Opening stock - raw materials	36,295	70,833
Purchases	62,262	74,673
Wages and salaries	41,306	42,295
	-----	-----
	139,863	187,801
Closing stock - resale	28,172	36,295
	-----	-----
	111,691	151,506
	-----	-----
Gross profit	96,459	96,943
Overheads		
Administrative expenses	81,126	83,451
	-----	-----
Operating profit	15,333	13,492
Other interest receivable and similar income	5	—
Interest payable and similar expenses	5,399	3,388
	-----	-----
Profit before taxation	9,939	10,104
	-----	-----

Ready Rags UK Limited

Notes to the Detailed Income Statement

Year ended 31 March 2017

	2017	2016
	£	£
Administrative expenses		
Directors salaries	11,960	11,960
Rent rates and water	18,688	18,608
Light and heat	883	834
Insurance	2,868	2,840
Repairs and maintenance	775	1,818
Cleaning costs	663	507
Travel and subsistence	18,932	24,039
Telephone	4,214	2,940
Printing postage and stationery	3,638	4,424
Staff welfare	147	339
Sundry expenses	124	127
Charitable donations (allowable)	20	—
Computer costs	964	469
Entertaining	530	47
Legal and professional fees (allowable)	60	—
Accountancy fees	2,003	1,804
Depreciation of tangible assets	6,424	8,562
(Gain)/loss on disposal of tangible assets	591	(2,662)
Provision for doubtful debts	—	(212)
Factoring charges	6,633	6,037
Bank charges	1,009	970
	-----	-----
	81,126	83,451
	-----	-----
Other interest receivable and similar income		
Other interest receivable and similar income	5	—
	---	---
Interest payable and similar expenses		
Interest on banks loans and overdrafts	2,552	2,605
Interest on hire purchase and finance lease contracts	1,108	(1,222)
Other interest payable and similar charges	1,739	2,005
	-----	-----
	5,399	3,388
	-----	-----

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