

AA Carpets Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2019

Gibbons
Chartered Accountants
Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU

AA Carpets Limited

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AA Carpets Limited
Company Information

Directors Mr D Petrie
Mr A Petrie
Mrs L Petrie

Company secretary Ms L Gaddes

Registered office Unit 7
Derwent Drive
Workington
Cumbria
CA14 3YW

Bankers Lloyds TSB Bank Plc
11 Finkle Street
Kendal
Cumbria
LA9 4AG

Accountants Gibbons
Chartered Accountants
Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU

AA Carpets Limited
(Registration number: 3919215)
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	80,119	106,734
Current assets			
Stocks	<u>5</u>	41,780	37,905
Debtors	<u>6</u>	73,181	108,343
Cash at bank and in hand		<u>12,027</u>	<u>27,489</u>
		126,988	173,737
Creditors: Amounts falling due within one year	<u>7</u>	<u>(144,202)</u>	<u>(152,124)</u>
Net current (liabilities)/assets		<u>(17,214)</u>	<u>21,613</u>
Total assets less current liabilities		62,905	128,347
Creditors: Amounts falling due after more than one year	<u>7</u>	-	(3,260)
Provisions for liabilities		<u>(13,646)</u>	<u>(18,703)</u>
Net assets		<u>49,259</u>	<u>106,384</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>49,159</u>	<u>106,284</u>
Total equity		<u>49,259</u>	<u>106,384</u>

For the financial year ending 31 March 2019 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 10 form an integral part of these financial statements.
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AA Carpets Limited

**(Registration number: 3919215)
Balance Sheet as at 31 March 2019**

Approved and authorised by the Board on 19 June 2019 and signed on its behalf by:

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Mr D Petrie

Director

The notes on pages 4 to 10 form an integral part of these financial statements.

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AA Carpets Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 7
Derwent Drive
Workington
Cumbria
CA14 3YW

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

AA Carpets Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Improvements to leasehold property	10% straight line basis
Motor vehicles	25% reducing balance basis
Furniture, fittings and equipment	15% straight line basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

AA Carpets Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

AA Carpets Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 15 (2018 - 14).

AA Carpets Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

4 Tangible assets

	Improvements to leasehold property £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2018	11,855	123,740	91,013	226,608
Additions	-	1,274	2,083	3,357
At 31 March 2019	11,855	125,014	93,096	229,965
Depreciation				
At 1 April 2018	8,648	87,389	23,837	119,874
Charge for the year	1,186	11,607	17,179	29,972
At 31 March 2019	9,834	98,996	41,016	149,846
Carrying amount				
At 31 March 2019	2,021	26,018	52,080	80,119
At 31 March 2018	3,207	36,351	67,176	106,734

5 Stocks

	2019 £	2018 £
Finished goods and goods for resale	41,780	37,905

6 Debtors

	2019 £	2018 £
Trade debtors	71,129	104,933
Other debtors	2,052	3,410
Total current trade and other debtors	73,181	108,343

AA Carpets Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

7 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	<u>8</u>	3,260	3,557
Trade creditors		31,267	49,653
Taxation and social security		21,787	9,847
Other creditors		<u>87,888</u>	<u>89,067</u>
		<u>144,202</u>	<u>152,124</u>

Due after one year

Hire purchase contracts	<u>8</u>	<u>-</u>	<u>3,260</u>
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Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Hire purchase contracts	<u>8</u>	<u>-</u>	<u>3,260</u>

8 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Hire purchase contracts	<u>-</u>	<u>3,260</u>

	2019 £	2018 £
Current loans and borrowings		
Hire purchase contracts	<u>3,260</u>	<u>3,557</u>

9 Related party transactions

Summary of transactions with other related parties

At the year end AA Carpets Limited still owe £30,000 to AD Properties (Cumbria) Limited. The Directors of AA Carpets Limited are also Directors of AD Properties (Cumbria) Limited.

AA Carpets Limited

Notes to the Financial Statements for the Year Ended 31 March 2019

Loans from related parties

	Other related parties £
2019	
At start of period	<u>30,000</u>
2018	
Advanced	<u>30,000</u>

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This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.