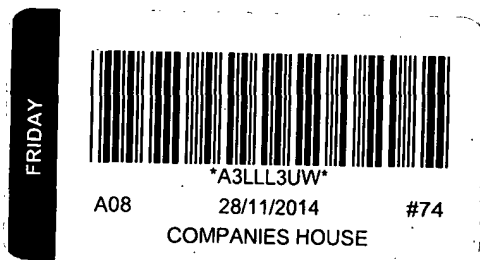


Company Registration No. 04923718 (England and Wales)

ABINGDON FLOORING LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2014



# ABINGDON FLOORING LIMITED

## DIRECTORS AND ADVISERS

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**Directors**

Mr J J Taylor  
Mr E Charlesworth  
Mr R Dight  
Mr M W Peace  
Mrs C Matthews

**Secretary**

Mrs C Matthews

**Company number**

04923718

**Registered office**

Penyfan Park  
NEWBRIDGE  
Caerphilly  
UK  
NP11 4XG

**Registered auditors**

Broomfield & Alexander Limited  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
CARDIFF  
UK  
CF23 8AB

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# ABINGDON FLOORING LIMITED

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# **ABINGDON FLOORING LIMITED**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 MARCH 2014**

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### **Review of the business**

General market conditions have improved slightly during the year partly due to the government Help-to-Buy scheme which has increased the volume of new house sales and the economy slowly stabilising after four years of uncertainty.

Abingdon increased sales by 2.7% due to the strategy of changing the mix between cuts and rolls and an increase in our customer base. We have also continued to look at all cost areas which have delivered cost savings. Therefore, these two strategies have enabled us to increase our operating profit significantly by 60.5%.

Alliance Flooring has seen an 11.5% increase in sales. This year has seen a number of changes which have meant that one-off costs have decreased the profit to £188k from £205k last year. However, we are now in a good position for 2014/15.

Distinctive Flooring has again improved the group position with an increase in turnover of 27% which has increased the operating profit by 56% due to a larger customer base and further investment in plant leading to greater efficiencies.

Group turnover increased by 6.8% and operating profit by 52% leading to a stronger balance sheet. We believe the group is in a strong position to face any challenges in the future.

### **Key Risks**

The general feeling is that the housing market is moving forward too fast which could mean a cooling off of lending by major banks to insure price rises are not out of control, resulting in a possible slow down in the housing market. Other risks that are constant in this business, such as raw material prices and currency fluctuations are monitored and acted on as necessary.

### **Employees**

We have a stable overall workforce in all our businesses, with low turnover and good industrial relationships. We foresee no problems in the future in this area.

### **Competition**

Risk of losing business to competitors is mitigated by close monitoring of competitors' prices, introduction of new products, feedback from existing customers and market research.

In light of these results, and our continuing investment in products and facilities, we believe that we are in a strong position to increase our market share and show further growth of profits in the coming year.



Mrs C Matthews

**Director**

29 September 2014

# **ABINGDON FLOORING LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2014**

---

The directors present their report and financial statements for the year ended 31 March 2014.

#### **Principal activities**

The principal activity of the group continued to be that of manufacturing tufted carpets and storage and distribution of carpet and smooth flooring. The parent company has a vertically integrated operation that enables it to produce all major types of finished carpets.

#### **Results and dividends**

The consolidated profit and loss account for the year is set out on page 6.

#### **Directors**

The following directors have held office since 1 April 2013:

Mr J J Taylor  
Mr E Charlesworth  
Mr R Dight  
Mr M W Peace  
Mrs C Matthews

#### **Employee involvement**

The company places value on the involvement of its employees, keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings.

#### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# ABINGDON FLOORING LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

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### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



Mrs C Matthews

Director

29 September 2014

# **ABINGDON FLOORING LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ABINGDON FLOORING LIMITED**

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We have audited the group and parent company financial statements (the "financial statements") of Abingdon Flooring Limited for the year ended 31 March 2014 set out on pages 6 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# ABINGDON FLOORING LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF ABINGDON FLOORING LIMITED

---

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Ian Thomas BSc FCA DChA (Senior Statutory Auditor)  
for and on behalf of Broomfield & Alexander Limited

29 September 2014

Chartered Accountants  
Statutory Auditor

Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
CARDIFF  
UK  
CF23 8AB



# ABINGDON FLOORING LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

	Notes	2014 £	2013 £
<b>Turnover</b>	<b>2</b>	75,073,232	70,283,622
Cost of sales		(63,761,171)	(60,974,295)
<b>Gross profit</b>		11,312,061	9,309,327
Distribution costs		(300,358)	276,120
Administrative expenses		(8,540,564)	(8,116,132)
Other operating income		29,238	172,260
<b>Operating profit</b>	<b>3</b>	2,500,377	1,641,575
Other interest receivable and similar income		3,361	8,479
Interest payable and similar charges	<b>4</b>	(309,753)	(297,785)
<b>Profit on ordinary activities before taxation</b>	<b>3</b>	2,193,985	1,352,269
Tax on profit on ordinary activities	<b>5</b>	(530,177)	(324,090)
<b>Profit on ordinary activities after taxation</b>		1,663,808	1,028,179

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

There are no recognised gains and losses other than those passing through the profit and loss account.

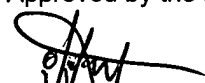
# ABINGDON FLOORING LIMITED

## BALANCE SHEETS

AS AT 31 MARCH 2014

	Notes	Group 2014 £	2013 £	Company 2014 £	2013 £
<b>Fixed assets</b>					
Intangible assets	8	234,470	255,704	-	-
Tangible assets	9	4,136,783	3,678,748	3,765,465	3,432,980
Investments	10	-	-	501	501
		<u>4,371,253</u>	<u>3,934,452</u>	<u>3,765,966</u>	<u>3,433,481</u>
<b>Current assets</b>					
Stocks	11	12,199,977	11,374,355	10,487,149	9,822,126
Debtors	12	14,519,023	14,357,821	13,667,917	13,937,347
Cash at bank and in hand		1,268,139	997,980	995,689	909,777
		<u>27,987,139</u>	<u>26,730,156</u>	<u>25,150,755</u>	<u>24,669,250</u>
<b>Creditors: amounts falling due within one year</b>	13	(23,370,192)	(23,337,896)	(20,178,618)	(20,717,230)
<b>Net current assets</b>		<u>4,616,947</u>	<u>3,392,260</u>	<u>4,972,137</u>	<u>3,952,020</u>
<b>Total assets less current liabilities</b>		<u>8,988,200</u>	<u>7,326,712</u>	<u>8,738,103</u>	<u>7,385,501</u>
<b>Creditors: amounts falling due after more than one year</b>	14	(578,582)	(345,841)	(578,582)	(345,841)
<b>Provisions for liabilities</b>	15	(200,761)	(165,422)	(219,058)	(181,274)
<b>Accruals and deferred income</b>	16	(40,000)	(60,000)	(40,000)	(60,000)
		<u>8,168,857</u>	<u>6,755,449</u>	<u>7,900,463</u>	<u>6,798,386</u>
<b>Capital and reserves</b>					
Called up share capital	18	50	50	50	50
Share premium account	19	249,950	249,950	249,950	249,950
Other reserves	19	100	100	100	100
Profit and loss account	19	7,918,757	6,505,349	7,650,363	6,548,286
<b>Shareholders' funds</b>	20	<u>8,168,857</u>	<u>6,755,449</u>	<u>7,900,463</u>	<u>6,798,386</u>

Approved by the Board and authorised for issue on 29 September 2014



Mr JJJ Taylor  
Director

Company Registration No. 04923718

# ABINGDON FLOORING LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

	£	2014 £	£	2013 £
<b>Net cash inflow from operating activities</b>		2,033,660		2,741,298
<b>Returns on investments and servicing of finance</b>				
Interest received	3,361		8,479	
Interest paid	(309,753)		(297,795)	
Interest element of finance lease rentals	-		10	
<b>Net cash outflow for returns on investments and servicing of finance</b>		(306,392)		(289,306)
<b>Taxation</b>		(418,534)		(299,020)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(437,926)		(1,186,605)	
Receipts from sales of tangible assets	8,907		-	
<b>Net cash outflow for capital expenditure</b>		(429,019)		(1,186,605)
<b>Equity dividends paid</b>		(250,400)		(200,000)
<b>Net cash inflow before management of liquid resources and financing</b>		629,315		766,367
<b>Financing</b>				
New long term bank loan	-		200,000	
Other new short term loans	-		100,000	
Repayment of long term bank loan	(75,000)		(50,000)	
Repayment of other short term loans	(25,000)		(35,209)	
Capital element of finance lease contracts	(344,098)		(254,496)	
<b>Net cash outflow from financing</b>		(444,098)		(39,705)
<b>Increase in cash in the year</b>		185,217		726,662

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

1	Reconciliation of operating profit to net cash inflow from operating activities	2014	2013
		£	£
	Operating profit	2,500,377	1,641,575
	Depreciation of tangible assets	774,985	754,627
	Amortisation of intangible assets	21,234	48,734
	(Increase)/decrease in stocks	(825,622)	814,745
	(Increase)/decrease in debtors	(161,202)	337,829
	Decrease in creditors within one year	(256,112)	(836,212)
	Movement on grant provision	(20,000)	(20,000)
	Net cash inflow from operating activities	2,033,660	2,741,298

2	Analysis of net debt	1 April 2013	Cash flow	Other non-cash changes	31 March 2014
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	997,980	270,159	-	1,268,139
	Bank overdrafts	(1,254,443)	(84,942)	-	(1,339,385)
		(256,463)	185,217	-	(71,246)
	Finance leases	(357,976)	(459,902)	-	(817,878)
	Debts falling due within one year	(100,000)	25,000	-	(75,000)
	Debts falling due after one year	(150,000)	74,999	-	(75,001)
		(607,976)	(359,903)	-	(967,879)
	Net debt	(864,439)	(174,686)	-	(1,039,125)

3	Reconciliation of net cash flow to movement in net debt	2014	2013
		£	£
	Increase in cash in the year	185,217	726,662
	Cash (inflow)/outflow from (increase)/decrease in debt	(359,903)	39,703
	Movement in net debt in the year	(174,686)	766,365
	Opening net debt	(864,439)	(1,630,804)
	Closing net debt	(1,039,125)	(864,439)

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the company and its subsidiary. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

#### 1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts received. Turnover is recognised on dispatch of goods to a customer.

#### 1.5 Goodwill

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Goodwill is capitalised, and amortised through the profit and loss account over its useful economic life of 20 years.

#### 1.6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	10% straight line
Plant and machinery	Straight line over 5 to 15 years and 20% to 33% on cost
Fixtures, fittings & equipment	10% to 25%
Motor vehicles	33% on cost

#### 1.7 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.9 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 1 Accounting policies (Continued)

#### 1.10 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.11 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.12 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### 1.13 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

### 2 Turnover

The total turnover of the group for the year has been derived from its principal activity.

#### Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below:

	2014 £	2013 £
<b>Geographical segment</b>		
United Kingdom	74,166,047	69,601,212
Europe	907,185	682,410
	<u>75,073,232</u>	<u>70,283,622</u>

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

3	Operating profit	2014 £	2013 £
	Operating profit is stated after charging:		
	Amortisation of intangible assets	21,234	48,734
	Depreciation of tangible assets	774,985	754,627
	Loss on foreign exchange transactions	14,329	-
	Operating lease rentals		
	- Plant and machinery	187,024	174,336
	- Other assets	423,536	396,810
	and after crediting:		
	Government grants	20,000	20,000
	Profit on foreign exchange transactions	(9,268)	(21,246)
		<u>          </u>	<u>          </u>
	<b>Auditors' remuneration</b>		
	Fees payable to the group's auditor for the audit of the group's annual accounts	26,990	26,354
	Tax advisory	7,000	6,665
		<u>33,990</u>	<u>33,019</u>
		<u>          </u>	<u>          </u>
4	Interest payable	2014 £	2013 £
	On bank loans and overdrafts	488	-
	On other loans wholly repayable within five years	5,355	8,272
	Lease finance charges and hire purchase interest	26,334	23,259
	On overdue tax	-	739
	On amounts payable to factors	277,576	265,515
		<u>309,753</u>	<u>297,785</u>
		<u>          </u>	<u>          </u>

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

5	Taxation	2014 £	2013 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	494,838	360,939
	<b>Total current tax</b>	<u>494,838</u>	<u>360,939</u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	35,339	(36,849)
		<u>35,339</u>	<u>(36,849)</u>
		<u>530,177</u>	<u>324,090</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>2,193,985</u>	<u>1,352,269</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23% (2013 - 24%)	<u>504,617</u>	<u>324,545</u>
	Effects of:		
	Non deductible expenses	10,257	9,472
	Capital allowances in excess of depreciation	26,582	-
	Capital allowances in excess of depreciation	(46,960)	30,896
	Other tax adjustments	342	(3,974)
		<u>(9,779)</u>	<u>36,394</u>
	<b>Current tax charge for the year</b>	<u>494,838</u>	<u>360,939</u>

## 6 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2014 £	2013 £
Holding company's profit for the financial year	<u>1,352,477</u>	<u>765,526</u>



# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

7	Dividends	2014 £	2013 £
	Ordinary interim paid	<u>250,400</u>	<u>200,000</u>
8	<b>Intangible fixed assets Group</b>		<b>Goodwill £</b>
	<b>Cost</b>		
	At 1 April 2013 & at 31 March 2014		<u>424,752</u>
	<b>Amortisation</b>		
	At 1 April 2013		169,048
	Charge for the year		<u>21,234</u>
	At 31 March 2014		<u>190,282</u>
	<b>Net book value</b>		
	At 31 March 2014		<u>234,470</u>
	At 31 March 2013		<u>255,704</u>

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 9 Tangible fixed assets

#### Group

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2013	361,256	7,681,258	31,531	28,646	8,102,691
Additions	-	1,241,927	-	-	1,241,927
Disposals	-	(8,907)	-	-	(8,907)
At 31 March 2014	361,256	8,914,278	31,531	28,646	9,335,711
<b>Depreciation</b>					
At 1 April 2013	18,063	4,368,598	13,415	23,867	4,423,943
Charge for the year	36,126	735,856	2,037	966	774,985
At 31 March 2014	54,189	5,104,454	15,452	24,833	5,198,928
<b>Net book value</b>					
At 31 March 2014	307,067	3,809,824	16,079	3,813	4,136,783
At 31 March 2013	343,193	3,312,660	18,116	4,779	3,678,748

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Net book values</b>				
At 31 March 2014	979,446	-	-	979,446
At 31 March 2013	367,061	-	-	367,061
<b>Depreciation charge for the year</b>				
31 March 2014	153,585	-	-	153,585
31 March 2013	270,471	-	-	270,471

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 9 Tangible fixed assets (Continued)

#### Tangible fixed assets

##### Company

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2013	361,256	6,861,504	31,531	28,646	7,282,937
Additions	-	1,000,802	-	-	1,000,802
Disposals	-	(8,907)	-	-	(8,907)
At 31 March 2014	361,256	7,853,399	31,531	28,646	8,274,832
<b>Depreciation</b>					
At 1 April 2013	18,063	3,794,612	13,415	23,867	3,849,957
Charge for the year	36,126	620,281	2,037	966	659,410
At 31 March 2014	54,189	4,414,893	15,452	24,833	4,509,367
<b>Net book value</b>					
At 31 March 2014	307,067	3,438,506	16,079	3,813	3,765,465
At 31 March 2013	343,193	3,066,892	18,116	4,779	3,432,980

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Net book values</b>				
At 31 March 2014	979,446	-	-	979,446
At 31 March 2013	367,061	-	-	367,061
<b>Depreciation charge for the year</b>				
31 March 2014	153,585	-	-	153,585
31 March 2013	265,609	-	-	265,609

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 10 Fixed asset investments Company

	Shares in group undertakings £
<b>Cost</b>	
At 1 April 2013 & at 31 March 2014	501
<b>Net book value</b>	
At 31 March 2014	501
At 31 March 2013	501

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Alliance Flooring Distribution Limited	United Kingdom	Ordinary	100.00
Distinctive Flooring Limited	United Kingdom	Ordinary	100.00

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Alliance Flooring Distribution Limited	Storage and distribution
Distinctive Flooring Limited	Sale of smooth flooring

### 11 Stocks and work in progress

	Group 2014 £	2013 £	Company 2014 £	2013 £
Raw materials and consumables	1,541,137	1,458,415	1,063,642	1,111,911
Work in progress	1,078,072	940,198	1,023,772	876,759
Finished goods and goods for resale	9,580,768	8,975,742	8,399,735	7,833,456
	<u>12,199,977</u>	<u>11,374,355</u>	<u>10,487,149</u>	<u>9,822,126</u>

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 12 Debtors

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	13,837,753	13,722,206	11,946,536	12,315,016
Amounts owed by group undertakings	-	-	1,254,350	1,185,975
Prepayments and accrued income	681,270	635,615	467,031	436,356
	<u>14,519,023</u>	<u>14,357,821</u>	<u>13,667,917</u>	<u>13,937,347</u>
	2014	2013	2014	2013
	£	£	£	£
Amounts owed by group undertakings	-	-	1,185,975	1,185,975
	<u>-</u>	<u>-</u>	<u>1,185,975</u>	<u>1,185,975</u>

### 13 Creditors : amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	1,414,385	1,354,443	75,000	100,000
Net obligations under finance lease and hire purchase contracts	314,297	162,135	314,297	162,135
Trade creditors	7,474,551	7,192,129	6,306,382	6,166,351
Amounts owed to group undertakings	-	-	495,772	335,280
Corporation tax	298,615	222,311	199,190	139,950
Taxes and social security costs	1,767,963	1,295,422	1,498,292	1,054,453
Other creditors	7,219,761	8,038,967	7,219,761	8,038,967
Accruals and deferred income	4,880,620	5,072,489	4,069,924	4,720,094
	<u>23,370,192</u>	<u>23,337,896</u>	<u>20,178,618</u>	<u>20,717,230</u>

The bank facility in Abingdon Flooring Limited is secured by an inter company guarantee and a debenture from its subsidiary undertaking, Alliance Flooring Distribution Limited.

The invoice discounting creditor of £7,219,761 (2013: £8,037,761) which is disclosed within other creditors is secured on trade debtors.

The stock loan facility of £nil (2013: £1,200) which is disclosed within other creditors is secured on the stock held by the company.

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 14 Creditors : amounts falling due after more than one year

	Group 2014 £	2013 £	Company 2014 £	2013 £
Bank loans	75,001	150,000	75,001	150,000
Net obligations under finance leases and hire purchase agreements	503,581	195,841	503,581	195,841
	<u>578,582</u>	<u>345,841</u>	<u>578,582</u>	<u>345,841</u>
<b>Analysis of loans</b>				
Wholly repayable within five years	150,001	250,000	150,001	250,000
Included in current liabilities	(75,000)	(100,000)	(75,000)	(100,000)
	<u>75,001</u>	<u>150,000</u>	<u>75,001</u>	<u>150,000</u>
<b>Loan maturity analysis</b>				
In more than one year but not more than two years	<u>75,001</u>	<u>150,000</u>	<u>75,001</u>	<u>150,000</u>

The bank loan is secured over certain items of plant and machinery.

Amounts due on Hire Purchase are secured against the assets to which they relate.

The bank facilities of the group are secured by a debenture and inter company guarantees between Abingdon Flooring Limited, Alliance Flooring Distribution Limited and Distinctive Flooring Limited.

### Net obligations under finance leases and hire purchase contracts

Repayable within one year	314,297	162,135	314,297	162,135
Repayable between one and five years	503,581	195,841	503,581	195,841
	<u>817,878</u>	<u>357,976</u>	<u>817,878</u>	<u>357,976</u>
Included in liabilities falling due within one year	<u>(314,297)</u>	<u>(162,135)</u>	<u>(314,297)</u>	<u>(162,135)</u>
	<u>503,581</u>	<u>195,841</u>	<u>503,581</u>	<u>195,841</u>

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 15 Provisions for liabilities Group

	Deferred taxation £
Balance at 1 April 2013	163,936
Profit and loss account	36,825
Balance at 31 March 2014	<u>200,761</u>

### Company

Balance at 1 April 2013	181,274
Profit and loss account	37,784
Balance at 31 March 2014	<u>219,058</u>

The deferred tax liability is made up as follows:

	Group 2014 £	2013 £	Company 2014 £	2013 £
Accelerated capital allowances	<u>200,761</u>	<u>165,422</u>	<u>219,058</u>	<u>181,274</u>

### 16 Accruals and deferred income

#### Group

	Government grants £
Balance at 1 April 2013	60,000
Amortisation in the year	(20,000)
Balance at 31 March 2014	<u>40,000</u>

#### Company

Balance at 1 April 2013	60,000
Amortisation in the year	(20,000)
Balance at 31 March 2014	<u>40,000</u>

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 17 Pension and other post-retirement benefit commitments

#### Defined contribution

	2014 £	2013 £
Contributions payable by the group for the year	478,452	438,992

### 18 Share capital

	2014 £	2013 £
<b>Allotted, called up and fully paid</b>		
420 Ordinary A of 10p each	42	42
80 Ordinary B of 10p each	8	8
	50	50

### 19 Statement of movements on reserves Group

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2013	249,950	100	6,505,349
Profit for the year	-	-	1,663,808
Dividends paid	-	-	(250,400)
Balance at 31 March 2014	249,950	100	7,918,757

#### Other reserves

##### Capital redemption reserve

Balance at 1 April 2013 & at 31 March 2014	100
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# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 19 Statement of movements on reserves (Continued)

#### Company

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2013	249,950	100	6,548,286
Profit for the year	-	-	1,352,477
Dividends paid	-	-	(250,400)
Balance at 31 March 2014	249,950	100	7,650,363
Other reserves			
Capital redemption reserve			
Balance at 1 April 2013 & at 31 March 2014		100	

### 20 Reconciliation of movements in shareholders' funds Group

	2014 £	2013 £
Profit for the financial year	1,663,808	1,028,179
Dividends	(250,400)	(200,000)
Net addition to shareholders' funds	1,413,408	828,179
Opening shareholders' funds	6,755,449	5,927,270
Closing shareholders' funds	8,168,857	6,755,449

Company	2014 £	2013 £
Profit for the financial year	1,352,477	765,526
Dividends	(250,400)	(200,000)
Net addition to shareholders' funds	1,102,077	565,526
Opening shareholders' funds	6,798,386	6,232,860
Closing shareholders' funds	7,900,463	6,798,386

# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 21 Financial commitments

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within one year	-	-	171,456	53,516
Between two and five years	1,082,813	924,583	1,051,226	912,035
In over five years	175,287	27,600	13,654	6,420
	<u>1,258,100</u>	<u>952,183</u>	<u>1,236,336</u>	<u>971,971</u>

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within one year	-	-	43,305	27,243
Between two and five years	832,813	694,583	216,505	216,843
In over five years	175,287	27,600	7,234	-
	<u>1,008,100</u>	<u>722,183</u>	<u>267,044</u>	<u>244,086</u>

### 22 Directors' remuneration

	2014	2013
	£	£
Remuneration for qualifying services	614,414	601,395
Company pension contributions to defined contribution schemes	110,093	87,986
	<u>724,507</u>	<u>689,381</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2013 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>267,343</u>	<u>260,933</u>
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# ABINGDON FLOORING LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2014

### 23 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
Manufacturing	353	329
Administration	90	89
Transport	40	36
Warehouse	31	26
	<u>514</u>	<u>480</u>

#### Employment costs

	2014 £	2013 £
Wages and salaries	13,967,872	13,288,109
Social security costs	1,300,328	1,251,457
Other pension costs	478,452	438,992
	<u>15,746,652</u>	<u>14,978,558</u>

# **ABINGDON FLOORING LIMITED**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2014**

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### **24 Related party relationships and transactions**

#### **Group**

No disclosure of transactions with group companies has been given in these accounts as permitted by the exemptions available by FRS 8 Related Party Disclosures.

An interim dividend of £75,000 was paid in two instalments to Mrs S Taylor on 18 December 2013 and 31 January 2014. In addition, dividends totalling £37,500 were also paid in two equal instalments to Mrs A J Charlesworth, Mrs K Dight and Mrs J Peace respectively at these dates.

An interim dividend of £25,160 was paid in two instalments to Mr J Taylor on 18 December 2013 and 31 January 2014. In addition dividends totalling £12,580 were also paid in two equal instalments to Mr E Charlesworth, Mr R Dight and Mr M Peace respectively at these dates..

#### **Company**

No disclosure of transactions with group companies has been given in these accounts as permitted by the exemptions available under FRS 8 Related Party Disclosure.

An interim dividend of £75,000 was paid in two instalments to Mrs S Taylor on 18 December 2013 and 31 January 2014. In addition, dividends totalling £37,500 were also paid in two equal instalments to Mrs A J Charlesworth, Mrs K Dight and Mrs J Peace respectively at these dates.

An interim dividend of £25,160 was paid in two instalments to Mr J Taylor on 18 December 2013 and 31 January 2014. In addition dividends totalling £12,580 were also paid in two equal instalments to Mr E Charlesworth, Mr R Dight and Mr M Peace respectively at these dates.