

# 247 Home Furnishings Limited

## FINANCIAL STATEMENTS

for the year ended

28 February 2010

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COMPANIES HOUSE

# 247 Home Furnishings Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### DIRECTORS

D J Peterkin  
D J Maher

### SECRETARY

D J Maher

### REGISTERED OFFICE

Apex House  
172 Blackmoorfoot Road  
Crosland Moor  
Huddersfield  
West Yorkshire  
HD4 5RE

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
The Waterfront  
Salts Mill Road  
Saltaire  
Shipley  
West Yorkshire  
BD17 7EZ

# 247 Home Furnishings Limited

## DIRECTORS' REPORT

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The directors submit their report and financial statements of 247 Home Furnishings Limited for the year ended 28 February 2010

### PRINCIPAL ACTIVITIES

The principle activity of the company during the year was the sale of window furnishings

### REVIEW OF THE BUSINESS

The directors are pleased to report that the company continues to realize the benefits of purchasing Apex House including expanded capacity and the improved efficiency gained from having a bespoke layout and modern office services. Together with improved back end systems (which continue to improve) the company is now able to cope with the impressive growth rate maintained by the business up to now and that forecast into the future without a subsequent proportional increase in the businesses operating costs. We are currently experiencing positive market conditions and the business is benefiting from improvements in the supply chain which are expected to make positive contributions to the company's operating profit.

### DIRECTORS

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

D J Peterkin

D J Maher

### DONATIONS

During the year the company made the following contributions

	2010	2009
	£	£
Charitable	-	3,355

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

### AUDITOR

Baker Tilly UK Audit LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

### SMALL COMPANY PROVISIONS

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

By order of the board



D J Maher  
Company Secretary

Date 24/11/2010

# 247 Home Furnishings Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the 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 profit or loss of the company for that period.

In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 247 HOME FURNISHINGS LIMITED

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We have audited the financial statements on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities). The company was exempt from audit in the year ended 28 February 2009 and consequently the corresponding figures are unaudited.

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 auditor's 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 auditor**

As more fully explained in the Directors' Responsibilities Statement set out on page 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 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 (APB's) Ethical Standards for Auditors.

## **Scope of the audit**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

## **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 28 February 2010 and its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

## **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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

*Baker Tilly UK Audit LLP*

ROLAND CLARK (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

The Waterfront

Salts Mill Road

Saltaire

Shipley

West Yorkshire

BD17 7EZ

Date **25/11/10**

# 247 Home Furnishings Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 28 February 2010

		2010	Unaudited
	Notes	£	2009
			£
TURNOVER		7,883,509	5,519,832
Cost of sales		(5,645,964)	(4,116,566)
Gross profit		2,237,545	1,403,266
Distribution costs		(66,365)	(42,989)
Administrative expenses		(1,984,752)	(1,155,643)
Other operating income	2	41,250	—
OPERATING PROFIT	3	227,678	204,634
Interest receivable		202	1,120
		227,880	205,754
Interest payable and similar charges		(1,121)	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		226,759	205,754
Taxation	5	(48,806)	(42,908)
PROFIT FOR THE FINANCIAL YEAR	15	177,953	162,846

## 247 Home Furnishings Limited

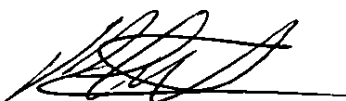
## BALANCE SHEET

28 February 2010

			2010		Unaudited 2009
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	7		3,000		6,000
Tangible assets	8		234,842		5,167
			<u>237,842</u>		<u>11,167</u>
<b>CURRENT ASSETS</b>					
Stocks		6,428		—	
Debtors	9	256,670		147,063	
Cash at bank and in hand		193,147		205,183	
		<u>456,245</u>		<u>352,246</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	10	(571,746)		(350,355)	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(115,501)</u>		<u>1,891</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>122,341</u>		<u>13,058</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	11		(80,713)		—
<b>PROVISIONS FOR LIABILITIES</b>	12		<u>(9,617)</u>		<u>—</u>
			<u>32,011</u>		<u>13,058</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		100		100
Profit and loss account	15		31,911		12,958
<b>SHAREHOLDERS' FUNDS</b>			<u>32,011</u>		<u>13,058</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements on pages 5 to 11 were approved by the board of directors and authorised for issue on 24/11/2010 and are signed on their behalf by



D J Peterkin  
Director

# 247 Home Furnishings Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2010

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### 1 ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### GOING CONCERN

The accounts have been prepared on a going concern basis. The directors have considered how the company will meet the challenges presented by the current economic climate and have carried out a detailed review of the company's resources including the adequacy of working capital for the next twelve months. The directors are satisfied that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the accounts.

#### TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax.

#### AMORTISATION

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

Goodwill	- 5 years
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#### FIXED ASSETS

All fixed assets are initially recorded at cost.

#### DEPRECIATION

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

Freehold Property	- 2% straight line
Plant & Machinery	- 25% straight line
Fixtures & Fittings	- 25% straight line
Equipment	- 33% straight line

#### STOCKS

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

#### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.



# 247 Home Furnishings Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 28 February 2010

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### 1 ACCOUNTING POLICIES *(continued)*

#### FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### 2 OTHER OPERATING INCOME

	2010	Unaudited 2009
	£	£
Management charges receivable	41,250	—

### 3 OPERATING PROFIT

Operating profit is stated after charging

	2010	Unaudited 2009
	£	£
Amortisation of intangible assets	3,000	3,000
Depreciation of owned fixed assets	9,595	3,551
Auditor's fees	6,000	—

### 4 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2010	Unaudited 2009
	£	£
Aggregate remuneration	10,400	10,400

### 5 TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2010	Unaudited 2009
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 21% (2009 - 21%)	39,189	43,148
Over/under provision in prior year	—	87
Total current tax	39,189	43,235
Deferred tax		
Origination and reversal of timing differences	9,617	(327)
Tax on profit on ordinary activities	48,806	42,908

**247 Home Furnishings Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 28 February 2010

**6 DIVIDENDS**

Equity dividends	2010 £	Unaudited 2009 £
Paid during the year		
Equity dividends on ordinary shares of £1,590 00 (2009 - £1,500 00) per share	<u>159,000</u>	<u>150,000</u>

**7 INTANGIBLE FIXED ASSETS**

	Goodwill £
Cost	
At 1 March 2009 and 28 February 2010	<u>15,000</u>
Amortisation	
At 1 March 2009	9,000
Charge for the year	3,000
At 28 February 2010	<u>12,000</u>
Net book value	
At 28 February 2010	<u>3,000</u>
At 28 February 2009	<u>6,000</u>

**8 TANGIBLE FIXED ASSETS**

	Land and buildings £	Other plant & machinery etc £	Total £
Cost			
At 1 March 2009	—	11,490	11,490
Additions	234,843	4,427	239,270
At 28 February 2010	<u>234,843</u>	<u>15,917</u>	<u>250,760</u>
Depreciation			
At 1 March 2009	—	6,323	6,323
Charge for the year	4,697	4,898	9,595
At 28 February 2010	<u>4,697</u>	<u>11,221</u>	<u>15,918</u>
Net book value			
At 28 February 2010	<u>230,146</u>	<u>4,696</u>	<u>234,842</u>
At 28 February 2009	<u>—</u>	<u>5,167</u>	<u>5,167</u>

**247 Home Furnishings Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 28 February 2010

**9 DEBTORS**

	2010	Unaudited 2009
	£	£
Trade debtors	172,557	121,562
Other debtors	84,113	25,501
	<u>256,670</u>	<u>147,063</u>

**10 CREDITORS** Amounts falling due within one year

	2010	Unaudited 2009
	£	£
Bank loan	4,736	—
Trade creditors	346,472	183,332
Corporation tax	39,189	43,148
PAYE and social security	5,286	3,641
VAT	75,129	8,611
Directors current accounts	318	2,345
Other creditors	3,791	3,381
Accruals and deferred income	96,825	105,897
	<u>571,746</u>	<u>350,355</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2010	Unaudited 2009
	£	£
Bank loan	<u>4,736</u>	<u>—</u>

The bank loan is secured against the freehold property

**11 CREDITORS** Amounts falling due after more than one year

	2010	Unaudited 2009
	£	£
Bank loan	<u>80,713</u>	<u>—</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2010	Unaudited 2009
	£	£
Bank loan	<u>80,713</u>	<u>—</u>

The bank loan is secured against the freehold property

Included within creditors falling due after more than one year is an amount of £59,988 (2009 - £Nil) in respect of liabilities which fall due for payment after more than five years from the balance sheet date

**247 Home Furnishings Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 28 February 2010

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**12 PROVISIONS FOR LIABILITIES**

	Deferred taxation £
Profit and Loss Account movement arising during the year	9,617
Balance carried forward	<u>9,617</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2010 £	Unaudited 2009 £
Excess of taxation allowances over depreciation on fixed assets	9,617	-
	<u>9,617</u>	<u>-</u>

**13 RELATED PARTY TRANSACTIONS**

During the year the company made payments for marketing and advertising of £330,000 (2009 - £706,769), staff costs of £nil (2009 - £10,000), website hosting costs of £10,000 (2009 - £nil), service trading bank charges of £15,000 (2009 - £nil), telephone costs of £40,000 (2009 - £20,000), sundry costs of £473 (2009 - £nil) and rent, rates and water of £nil (2009 - £10,500) to Kinmah Partnership, a business of which D J Maher and D J Peterkin are joint partners

During the year the company paid dividends of £79,500 (2009 - £75,000) to D J Maher and £79,500 (2009 - £75,000) to D J Peterkin

**14 SHARE CAPITAL**

	2010 £	Unaudited 2009 £
Allotted, called up and fully paid 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**15 PROFIT AND LOSS ACCOUNT**

	2010 £	Unaudited 2009 £
At 1 March 2009	12,958	112
Profit for the financial year	177,953	162,846
Dividends	(159,000)	(150,000)
At 28 February 2010	<u>31,911</u>	<u>12,958</u>