

For

Dams Furniture Limited

Registered number 07014675

Abbreviated accounts

For the period ended 30 September 2011

THURSDAY



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DAMS FURNITURE LIMITED

COMPANY INFORMATION

Directors	C Scott M Moore T M Buckley
Company secretary	M Moore
Company number	07014675
Registered office	Gores Road Knowsley Liverpool L33 7XS
Auditors	Mazars LLP Chartered Accountants & Statutory Auditors Mazars House Gelderd Road Gildersome Leeds LS27 7JN
Bankers	Cater Allen Private Bank 9 Nelson Street Bradford BD1 5AN Natwest Plc 24 Newtown Gardens Kirkby Liverpool L32 8RU

DAMS FURNITURE LIMITED

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DAMS FURNITURE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2011

The directors present their report and the financial statements for the period ended 30 September 2011

Directors' responsibilities statement

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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- 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.

Principal activities

The principal activity of the business is that of the manufacture and distribution of office furniture.

Business review

The company has had a solid second year of trading during which it has sought to continue to focus on providing high levels of customer service whilst improving the structural resilience of the business.

Turnover in the year continued to grow in line with expectations with particularly strong growth with the UK based customers. Turnover into the rest of the European Union continued to disappoint as a consequence of localised trading conditions particularly in the Irish Republic.

The company continues to receive robust support from its key suppliers who in turn are continuing to grow in line with the growth in the underlying business. Suppliers have gained confidence in the business, credit insurers have however remained cautious in their dealings with the company, it is believed that this approach will modify during the year.

The company has determinedly remained focussed on a strategy of positioning itself as the leading provider of mid market office furniture in the UK and has made significant progress in this its second year.

Results

The profit for the period, after taxation, amounted to £767,634 (2010 - £1,012,778).

DAMS FURNITURE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2011

Directors

The directors who served during the period were

C Scott
M Moore
T M Buckley (appointed 16 December 2010)

Principal risks and uncertainties

Foreign exchange risk

The company is exposed to a financial risk associated with movements in the \$ rate of exchange impacting the cost of imported products and materials

Operations risk from inflationary pressure in the market

With the global and local economy still suffering, the company is facing external inflationary pressures impacting purchase and overhead costs

Competitor pressure

The company faces a risk posed by low cost, and low quality, imported products competing for market share

Future developments

The company intends to continue to concentrate on improving its service to its customers, through an on-going investment in IT, the refreshing of its product offerings and the focusing of its product range on availability and value for money

The company has strong growth plans linked to its focussed customer service led strategy and 2011/12 should be an another year of strong growth for the company, its customers and suppliers

Provision of information to auditors

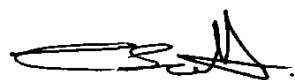
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 22 May 2012 and signed on its behalf



C Scott
Director

DAMS FURNITURE LIMITED

INDEPENDENT AUDITORS' REPORT TO DAMS FURNITURE LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 4 to 15 together with the financial statements of Dams Furniture Limited for the period ended 30 September 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006.

It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you. This report, including our opinion, has been prepared for and only for the company's members as a body. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in this 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 work, for this report, or for the opinions we have formed.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

The scope of our work for the purpose of this report does not include examining events occurring after the date of our Auditors' Report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



John Holroyd (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditors

Mazars House
Gelder Road
Gildersome
Leeds
LS27 7JN

Date 28th May 2012

DAMS FURNITURE LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 SEPTEMBER 2011

	Note	2011 £	2010 £
Turnover	1	17,087,135	13,014,278
Gross profit		3,894,947	2,913,847
Selling and marketing costs		(508,960)	(365,719)
Administrative expenses		(2,294,917)	(2,277,730)
Operating profit	2	1,091,070	270,398
Exceptional items			
Other exceptional items	6	-	1,219,289
Profit on ordinary activities before interest		1,091,070	1,489,687
Interest receivable and similar income		226	477
Interest payable and similar charges	5	(35,662)	(51,364)
Profit on ordinary activities before taxation		1,055,634	1,438,800
Tax on profit on ordinary activities	7	(288,000)	(426,022)
Profit for the financial period	15	767,634	1,012,778

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and Loss Account

The notes on pages 7 to 15 form part of these financial statements

DAMS FURNITURE LIMITED


Registered number 07014675

**ABBREVIATED BALANCE SHEET
AS AT 30 SEPTEMBER 2011**

		30 September 2011		2 October 2010	
	Note	£	£	£	£
Fixed assets					
Tangible assets	8		238,799		311,210
Current assets					
Stocks	9	1,692,146		1,195,005	
Debtors	10	3,002,280		2,037,624	
Cash at bank and in hand		87,960		180,964	
		<u>4,782,386</u>		<u>3,413,593</u>	
Creditors: amounts falling due within one year	11	<u>(3,175,438)</u>		<u>(2,389,690)</u>	
Net current assets			1,606,948		1,023,903
Total assets less current liabilities			<u>1,845,747</u>		<u>1,335,113</u>
Creditors: amounts falling due after more than one year	12		-		(250,000)
Provisions for liabilities					
Deferred tax	13		<u>(15,335)</u>		<u>(22,335)</u>
Net assets			<u>1,830,412</u>		<u>1,062,778</u>
Capital and reserves					
Called up share capital	14		50,000		50,000
Profit and loss account	15		<u>1,780,412</u>		<u>1,012,778</u>
Shareholders' funds	16		<u>1,830,412</u>		<u>1,062,778</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of the Companies Act relating to medium companies, as required by section 445(3) of the Companies Act 2006 were approved and authorised for issue by the board and were signed on its behalf on

22 May 2012



C Scott
Director



M Moore
Director

The notes on pages 7 to 15 form part of these financial statements

DAMS FURNITURE LIMITED

ABBREVIATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2011

	Note	2011 £	2010 £
Net cash flow from operating activities	17	478,520	284,281
Returns on investments and servicing of finance	18	(35,437)	(50,886)
Taxation		(403,687)	-
Capital expenditure and financial investment	18	(62,400)	(422,431)
Cash outflow before financing		(23,004)	(189,036)
Financing	18	(70,000)	370,000
(Decrease)/Increase in cash in the period		(93,004)	180,964

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT FOR THE PERIOD ENDED 30 SEPTEMBER 2011

	2011 £	2010 £
(Decrease)/Increase in cash in the period	(93,004)	180,964
Cash outflow from decrease in debt and lease financing	70,000	(320,000)
Change in net debt resulting from cash flows	(23,004)	(139,036)
Other non-cash changes	250,000	-
Movement in net debt in the period	226,996	(139,036)
Net debt at 3 October 2010	(139,036)	-
Net funds/(debt) at 30 September 2011	87,960	(139,036)

The notes on pages 7 to 15 form part of these financial statements

DAMS FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

1. Accounting Policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts

1.3 Intangible fixed assets and amortisation

Negative goodwill arises when the fair value of acquired assets exceeds the consideration given and is calculated as the difference between the amounts paid on the acquisition of the business and the fair value of the identifiable assets and liabilities. Negative goodwill is recognised in the Profit and Loss Account in the periods in which the non-monetary assets are realised by depreciation or sale

The negative goodwill is fully amortised in the period ended 2 October 2010, on the grounds that it related to stocks which have been sold in that period

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant & machinery	-	25% straight line
Motor vehicles	-	25% straight line
Fixtures & fittings	-	25% and 50% straight line

1.5 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.6 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs, both fixed and variable and a proportion of overheads

DAMS FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

1. Accounting Policies (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are discounted

1.8 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 Account

2. Operating profit

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	128,457	113,373
Auditors' remuneration	13,500	13,500
Difference on foreign exchange	(98,913)	(20,141)
Research and development expenditure written off	20,155	-
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DAMS FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

3. Staff costs

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	2,583,661	2,038,451
Social security costs	231,353	187,575
	<u>2,815,014</u>	<u>2,226,026</u>

The average monthly number of employees, including the directors, during the period was as follows

	2011 No.	2010 No.
Administration	17	15
Distribution	17	17
Management	11	13
Production	56	39
Sales	10	7
	<u>111</u>	<u>91</u>

4. Directors' remuneration

	2011 £	2010 £
Emoluments	<u>174,416</u>	<u>118,000</u>

5. Interest payable

	2011 £	2010 £
On other loans	3,816	13,169
On invoice discounting facility	31,846	38,195
	<u>35,662</u>	<u>51,364</u>

6. Exceptional items

	2011 £	2010 £
Amortisation of negative goodwill	<u>-</u>	<u>1,219,289</u>

DAMS FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

7. Taxation

	2011 £	2010 £
Analysis of tax charge in the period		
Current tax (see note below)		
UK corporation tax charge on profit for the period	295,000	403,687
Deferred tax (see note 13)		
Origination and reversal of timing differences	(7,000)	22,335
Tax on profit on ordinary activities	<u>288,000</u>	<u>426,022</u>

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 28% (2010 - 28%). The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before tax	<u>1,055,634</u>	<u>1,438,800</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2010 - 28%)	295,578	402,864
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,533	23,384
Capital allowances for period in excess of depreciation	13,029	(22,561)
Rollover relief on profit on disposal of fixed assets	(20,889)	-
Marginal relief	3,749	-
Current tax charge for the period (see note above)	<u>295,000</u>	<u>403,687</u>

DAMS FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

8. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost				
At 3 October 2010	251,750	40,250	131,831	423,831
Additions	-	14,999	51,151	66,150
Disposals	-	(16,500)	-	(16,500)
At 30 September 2011	251,750	38,749	182,982	473,481
Depreciation				
At 3 October 2010	62,938	8,715	40,968	112,621
Charge for the period	62,938	8,321	57,198	128,457
On disposals	-	(6,396)	-	(6,396)
At 30 September 2011	125,876	10,640	98,166	234,682
Net book value				
At 30 September 2011	125,874	28,109	84,816	238,799
At 2 October 2010	188,812	31,535	90,863	311,210

9. Stocks

	30 September 2011 £	2 October 2010 £
Raw materials	260,348	153,921
Work in progress	15,000	10,000
Finished goods and goods for resale	1,416,798	1,031,084
	1,692,146	1,195,005

10. Debtors

	30 September 2011 £	2 October 2010 £
Trade debtors	3,002,280	1,987,814
Prepayments and accrued income	-	49,810
	3,002,280	2,037,624

DAMS FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

11. Creditors: Amounts falling due within one year

	30 September 2011 £	2 October 2010 £
Term loan	-	70,000
Trade creditors	1,843,062	1,113,824
Corporation tax	295,000	403,687
Social security and other taxes	323,845	227,790
Other creditors	462,757	501,580
Accruals and deferred income	250,774	72,809
	<u>3,175,438</u>	<u>2,389,690</u>

Other creditors includes a balance of £195,378 (2010 £492,368) on an invoice discounting facility which is secured against the trade debtors of the company

Other creditors also includes £250,000 (2010 £nil) in respect of an unsecured loan to the company from the directors. This loan was included in long term creditors in the previous period (see note 14 below)

12. Creditors: Amounts falling due after more than one year

	30 September 2011 £	2 October 2010 £
Other loans	-	250,000

The above represents an unsecured loan to the company from the directors

13. Deferred taxation

	30 September 2011 £	2 October 2010 £
At beginning of period	22,335	-
(Released during)/charge for period	(7,000)	22,335
At end of period	<u>15,335</u>	<u>22,335</u>

The provision for deferred taxation is made up as follows

	30 September 2011 £	2 October 2010 £
Accelerated capital allowances	<u>15,335</u>	<u>22,335</u>

DAMS FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

14. Share capital

	30 September 2011 £	2 October 2010 £
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	50,000	50,000

15. Reserves

		Profit and loss account £
At 3 October 2010		1,012,778
Profit for the period		767,634
At 30 September 2011		1,780,412

16. Reconciliation of movement in shareholders' funds

	30 September 2011 £	2 October 2010 £
Opening shareholders' funds	1,062,778	-
Profit for the period	767,634	1,012,778
Shares issued during the period	-	50,000
Closing shareholders' funds	1,830,412	1,062,778

17. Net cash flow from operating activities

	2011 £	2010 £
Operating profit	1,091,070	270,398
Exceptional items	-	1,219,289
Depreciation of tangible fixed assets	128,457	113,373
Loss/(profit) on disposal of tangible fixed assets	6,354	(2,150)
Increase in stocks	(497,140)	(1,195,006)
Increase in debtors	(964,654)	(2,037,625)
Increase in creditors	714,433	1,916,002
Net cash inflow from operating activities	478,520	284,281

DAMS FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

18. Analysis of cash flows for headings netted in cash flow statement

	2011 £	2010 £
Returns on Investments and servicing of finance		
Interest received	226	477
Interest paid	(35,663)	(51,363)
Net cash outflow from returns on Investments and servicing of finance	<u>(35,437)</u>	<u>(50,886)</u>
	2011 £	2010 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(66,150)	(425,931)
Sale of tangible fixed assets	3,750	3,500
Net cash outflow from capital expenditure	<u>(62,400)</u>	<u>(422,431)</u>
	2011 £	2010 £
Financing		
Issue of ordinary shares	-	50,000
Other new loans	-	490,000
Repayment of other loans	(70,000)	(170,000)
Net cash (outflow)/inflow from financing	<u>(70,000)</u>	<u>370,000</u>

19. Analysis of changes in net debt

	3 October 2010 £	Cash flow £	Other non-cash changes £	30 September 2011 £
Cash at bank and in hand	180,964	(93,004)	-	87,960
Debt:				
Debts due within one year	(70,000)	70,000	-	-
Debts falling due after more than one year	(250,000)	-	250,000	-
Net debt	<u>(139,036)</u>	<u>(23,004)</u>	<u>250,000</u>	<u>87,960</u>

DAMS FURNITURE LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 2011

20. Operating lease commitments

At 30 September 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings			Other
	30 September	2 October	30 September	2 October
	2011	2010	2011	2010
	£	£	£	£
Expiry date:				
Within 1 year	-	-	22,680	-
Between 2 and 5 years	587,400	587,400	-	-
	<u>587,400</u>	<u>587,400</u>	<u>22,680</u>	<u>-</u>

21. Controlling party

The ultimate controlling party is C Scott by virtue of his majority shareholding