

**Castlebrook Furniture & Design (UK) Ltd**  
**Filleted Financial Statements**  
**31 December 2020**



**FEB CHARTERED ACCOUNTANTS**  
Chartered accountants & statutory auditor  
Linenhall Exchange  
First Floor  
26 Linenhall Street  
Belfast  
United Kingdom  
BT2 8BG

# Castlebrook Furniture & Design (UK) Ltd

## Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
<b>Current assets</b>			
Debtors	5	116,326	233,777
Cash at bank and in hand		474,198	45,915
		<u>590,524</u>	<u>279,692</u>
<b>Creditors: amounts falling due within one year</b>	6	1,016,940	416,105
<b>Net current liabilities</b>		<u>426,416</u>	<u>136,413</u>
<b>Total assets less current liabilities</b>		<u>(426,416)</u>	<u>(136,413)</u>
<b>Net liabilities</b>		<u>(426,416)</u>	<u>(136,413)</u>
<b>Capital and reserves</b>			
Called up share capital	8	1	1
Profit and loss account	9	(426,417)	(136,414)
<b>Shareholder deficit</b>		<u>(426,416)</u>	<u>(136,413)</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 29 September 2021, and are signed on behalf of the board by:

Laurence Byrne

Laurence Byrne (Sep 30, 2021 16:32 GMT+1)

Laurence Byrne  
Director

Company registration number: NI635397

The notes on pages 2 to 6 form part of these financial statements.

# **Castlebrook Furniture & Design (UK) Ltd**

## **Notes to the Financial Statements**

**Year ended 31 December 2020**

### **1. General information**

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is c/o FEB Chartered Accountants, Linenhall Exchange, First Floor, 26 Linenhall Street, Belfast, BT2 8BG.

### **2. Statement of compliance**

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

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

#### **Going concern**

The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future, having adequate funds to meet obligations as they fall due. The Directors are closely monitoring the risks and uncertainties associated with the Covid-19 pandemic. Currently their offices and stores are open with minimal staff presence as required. The directors have acted to realign the company's operations and have implemented HSE and Government advice on social distancing measures both within its premises and for physical meetings outside of its own premises and to provide for the safe and full re-opening of its offices when the time arises. Through a prior investment in technology their staff are enabled to work remotely with limited physical meetings as required while continuing to provide a full and professional service to their clients. The company is working closely with suppliers and installers to ensure continuity of supply while in compliance with Health & safety requirements.

The directors consider that the Group, which this company is part, of has adequate financial reserves to cope with the financial impact of Covid-19 in 2021, and is constantly monitoring and realigning the company's cost base, as well as availing of government wage subsidy schemes and other supports, to ensure sustainability at the lower levels of activity expected over the next 2 years due to the Covid-19 pandemic. As a result, the group as a whole has made a modest operating profit to date in 2021, following a close to breakeven result for the group in 2020, with a sufficient order book and a substantial pipeline of quotations issued and enquiries. While the pandemic has had a significant negative impact on the hotel industry, the directors expect that the industry confidence arising from the vaccine rollout should have a positive impact on future order for 2022 and beyond.

Therefore the directors have deemed it appropriate to prepare the statutory financial statements on a going concern basis.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

# Castlebrook Furniture & Design (UK) Ltd

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 3. Accounting policies *(continued)*

#### Revenue recognition *(continued)*

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

#### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

#### Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

# Castlebrook Furniture & Design (UK) Ltd

## Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

### 3. Accounting policies *(continued)*

#### Financial instruments *(continued)*

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 4. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2020 No.	2019 No.
Number of other staff	<u>5</u>	<u>5</u>

# Castlebrook Furniture & Design (UK) Ltd

## Notes to the Financial Statements *(continued)*

### Year ended 31 December 2020

#### 4. Staff costs *(continued)*

The aggregate payroll costs incurred during the year, relating to the above, were:

	2020	2019
	£	£
Wages and salaries	283,189	807,371
Social security costs	16,581	21,373
Other pension costs	2,941	3,545
	<u>302,711</u>	<u>832,289</u>

Included within staff costs is an amount of £94,156 (2019: £611,685). This is an allocation from Castlebrook Furniture & Design Ltd for shared support office costs.

#### 5. Debtors

	2020	2019
	£	£
Trade debtors	48,070	90,958
Payments made on account	56,130	3,322
Other debtors	12,126	139,497
	<u>116,326</u>	<u>233,777</u>

#### 6. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	376	5,191
Payments received on account	28,976	6,956
Trade creditors	36,055	92,674
Amounts owed to group undertakings	458,347	162,532
Accruals and deferred income	357,873	94,790
Social security and other taxes	135,313	53,962
	<u>1,016,940</u>	<u>416,105</u>

#### 7. Employee benefits

##### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £2,941 (2019: £3,545).

#### 8. Called up share capital

##### Issued, called up and fully paid

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

# **Castlebrook Furniture & Design (UK) Ltd**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 December 2020**

**9. Reserves**

The Profit and loss account reserve records retained earnings and accumulated losses.

**10. Summary audit opinion**

The auditor's report for the year dated 29 September 2021 was unqualified.

The senior statutory auditor was Michael Flannigan, for and on behalf of FEB Chartered Accountants.

**11. Related party transactions**

Advantage has been taken of the exemption not to disclose transactions with entities that are part of the group, provided that any subsidiary involved is wholly owned.

**12. Controlling party**

The company's immediate and ultimate holding company is Castlebrook Furniture & Design Ltd, a company incorporated in the Republic of Ireland.

The ultimate controlling parties are the shareholders of Castlebrook Furniture & Design Ltd.