

**REGISTERED NUMBER: SC052665 (Scotland)**

**Financial Statements**  
**For The Year Ended 31 March 2017**  
**for**  
**Cosmos Decorators Limited**

**Contents of the Financial Statements  
For The Year Ended 31 March 2017**

	<b>Page</b>
<b>Company Information</b>	1
<b>Balance Sheet</b>	2
<b>Notes to the Financial Statements</b>	4

**Cosmos Decorators Limited**

**Company Information  
For The Year Ended 31 March 2017**

**DIRECTORS:** Mr M H Kitson  
Mr M J H Kitson

**SECRETARY:** Mr M J H Kitson

**REGISTERED OFFICE:** Albany House  
580 Lawmoor Street  
Glasgow  
Strathclyde  
G5 0TX

**REGISTERED NUMBER:** SC052665 (Scotland)

**ACCOUNTANTS:** Cahill Jack Associates Limited  
91 Alexander Street  
Airdrie  
North Lanarkshire  
ML6 0BD

**BANKERS:** The Royal Bank of Scotland  
10 Gordon Street  
Glasgow  
G1 3PL

**SOLICITORS:** Tods Murray LLP  
33 Bothwell Street  
Glasgow  
G2 6NL

**Cosmos Decorators Limited (Registered number: SC052665)**

**Balance Sheet**  
**31 March 2017**

	Notes	31.3.17 £	£	31.3.16 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		53,532		66,009
Investments	5		<u>123,906</u>		<u>122,720</u>
			177,438		188,729
<b>CURRENT ASSETS</b>					
Stocks		14,900		6,441	
Debtors	6	605,457		496,890	
Investments	7	245		245	
Cash at bank and in hand		<u>73,963</u>		<u>145,656</u>	
		694,565		649,232	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>258,945</u>		<u>298,915</u>	
<b>NET CURRENT ASSETS</b>			<u>435,620</u>		<u>350,317</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			613,058		539,046
<b>PROVISIONS FOR LIABILITIES</b>			<u>7,064</u>		<u>9,166</u>
<b>NET ASSETS</b>			<u><u>605,994</u></u>		<u><u>529,880</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			12,237		12,237
Share premium			25,650		25,650
Capital redemption reserve			35,206		35,206
Retained earnings			<u>532,901</u>		<u>456,787</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><u>605,994</u></u>		<u><u>529,880</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The notes form part of these financial statements

**Balance Sheet - continued**  
**31 March 2017**

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors on 7 November 2017 and were signed on its behalf by:

Mr M J H Kitson - Director

**Notes to the Financial Statements  
For The Year Ended 31 March 2017**

**1. STATUTORY INFORMATION**

Cosmos Decorators Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The company's presentational currency is pounds sterling.

**Significant judgements and estimates**

The preparation of financial information in compliance with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The directors have identified the following areas which give rise to estimation uncertainty:

1) Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and any residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account.

2) Valuation of stock and work in progress requires estimations for provisions against old and obsolete items and amounts receivable.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

**Turnover**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding value added tax and any other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Rendering of services**

Revenue from agreement to provide services is recognised in the period in which the services are provided when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the agreement.

**Notes to the Financial Statements - continued  
For The Year Ended 31 March 2017**

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

The company adds to the carrying amount of an item of fixed asset the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. Any carrying amount of the replaced part is written off. Repairs and maintenance are charged to the profit and loss during the year in which they are incurred except for any parts unused at the year end. Asset residual values, useful lives and depreciation methods of relevant assets are reviewed, and adjusted prospectively if appropriate. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and recognised in the profit and loss during the year of disposal.

**Stocks**

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 items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Stocks and work in progress are stated at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Notes to the Financial Statements - continued  
For The Year Ended 31 March 2017**

**2. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Financial instruments and other**

**Financial instruments**

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors, bank loans, directors' loans and forward currency contracts (derivatives).

Any bank loans are initially measured at the present value of future payments, discounted at a market rate of interest, and subsequently at amortised cost using the effective interest method. Directors' loans (being repayable on demand), trade debtors and trade creditors are measured at the undiscounted amount of the cash or other consideration expected to be paid or received. Forward currency contracts are derivative financial instruments. They are measured at fair value. Gains and losses arising from changes in the fair value of derivative financial instruments are included in the profit or loss in the period in which they arise.

Financial assets that are measured at amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss.

**Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**Holiday pay**

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

**Investments**

Investments are included at fair value.

**Liquid resources**

Monetary amounts held on short term deposits are included within current asset investments.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 36 .



Notes to the Financial Statements - continued  
For The Year Ended 31 March 2017

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 April 2016	160,523	79,965	111,516	352,004
Additions	2,600	-	8,995	11,595
Disposals	-	-	(19,560)	(19,560)
At 31 March 2017	<u>163,123</u>	<u>79,965</u>	<u>100,951</u>	<u>344,039</u>
<b>DEPRECIATION</b>				
At 1 April 2016	159,794	79,965	46,236	285,995
Charge for year	833	-	17,890	18,723
Eliminated on disposal	-	-	(14,211)	(14,211)
At 31 March 2017	<u>160,627</u>	<u>79,965</u>	<u>49,915</u>	<u>290,507</u>
<b>NET BOOK VALUE</b>				
At 31 March 2017	<u>2,496</u>	<u>-</u>	<u>51,036</u>	<u>53,532</u>
At 31 March 2016	<u>729</u>	<u>-</u>	<u>65,280</u>	<u>66,009</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
<b>COST</b>	
At 1 April 2016	48,571
Transfer to ownership	<u>(48,571)</u>
At 31 March 2017	<u>-</u>
<b>DEPRECIATION</b>	
At 1 April 2016	29,104
Transfer to ownership	<u>(29,104)</u>
At 31 March 2017	<u>-</u>
<b>NET BOOK VALUE</b>	
At 31 March 2017	<u>-</u>
At 31 March 2016	<u>19,467</u>

Notes to the Financial Statements - continued  
For The Year Ended 31 March 2017

## 5. FIXED ASSET INVESTMENTS

	Interest in other participating interests £	Other investments £	Totals £
<b>COST OR VALUATION</b>			
At 1 April 2016	40	122,680	122,720
Revaluations	-	1,186	1,186
At 31 March 2017	<u>40</u>	<u>123,866</u>	<u>123,906</u>
<b>NET BOOK VALUE</b>			
At 31 March 2017	<u>40</u>	<u>123,866</u>	<u>123,906</u>
At 31 March 2016	<u>40</u>	<u>122,680</u>	<u>122,720</u>

Cost or valuation at 31 March 2017 is represented by:

	Interest in other participating interests £	Other investments £	Totals £
Valuation in 2015	-	5,066	5,066
Valuation in 2016	-	(15,728)	(15,728)
Valuation in 2017	-	11,848	11,848
Cost	<u>40</u>	<u>122,680</u>	<u>122,720</u>
	<u>40</u>	<u>123,866</u>	<u>123,906</u>

## 6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Trade debtors	163,457	256,138
Amounts owed by participating interests	442,000	224,000
Other debtors	-	73
Prepayments and accrued income	<u>-</u>	<u>16,679</u>
	<u>605,457</u>	<u>496,890</u>

## 7. CURRENT ASSET INVESTMENTS

	31.3.17	31.3.16
	£	£
Investment deposit account	<u>245</u>	<u>245</u>

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2017**

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.17	31.3.16
	£	£
Hire purchase contracts	-	5,453
Trade creditors	72,300	75,963
Tax	35,351	32,763
Social security and other taxes	21,254	18,544
VAT	68,300	58,748
Other creditors	8,254	29,187
Accruals and deferred income	53,486	78,257
	<u>258,945</u>	<u>298,915</u>

**9. SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.17	31.3.16
	£	£
Hire purchase contracts	<u>-</u>	<u>5,453</u>

The amounts outstanding relating to hire purchase agreements are secured against the assets concerned.

**10. RELATED PARTY DISCLOSURES AND TRANSACTIONS WITH DIRECTORS**

During the year, total dividends of £32,000 (2016 - £31,745) were paid to the directors .

Cosmos Decorators Limited was charged rent for the property at £32,000 per annum by Cosmos Properties Limited. Both companies have common shareholders.

Included within debtors due within one year is an amount of £442,000 (2016 - £224,000) due from Cosmos Properties Limited. The company wrote off loans of £nil (2016 - £50,000) with Cosmos Properties Limited during the year.

Cosmos Decorators Limited owns 50% of the ordinary share capital of Cosmos Projects Limited.

The following transactions occurred during the year:

Included with trade debtors is an amount of £57,447 (2016 - £13,562) due from Cosmos Projects Limited. During the year Cosmos Decorators Limited charged Cosmos Projects Limited £31,956 (2016 - £38,280) for administration and made sales of £317,409 (2016 - £96,067) for recharges and work carried out.

**11. ULTIMATE CONTROLLING PARTY**

Mr M J H Kitson as the majority shareholder is considered to be the ultimate controlling party of the company.

**Notes to the Financial Statements - continued  
For The Year Ended 31 March 2017**

**12. FIRST YEAR ADOPTION**

**1) Listed investments**

FRS 102 requires that listed investment are recorded at fair value. Under previous UK GAAP listed investments were stated at cost. Increases and decreases in fair value are included within the profit and loss account for each year there is a change (Note 8). The company has taken advantage of concessions available not to restate comparative information with regard to the fair value measurement of listed investments.

FRS also requires that deferred tax be recognised on changes in fair value. However due to the existence of capital losses and indexation allowances, no deferred tax is currently due.

The date of transition to FRS 102 was 1 April 2015.

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