
Supertex Furnishing Limited

Unaudited

Financial statements

For the Year Ended 28 February 2017



Supertex Furnishing Limited
Registered number: 01365538

Balance Sheet
As at 28 February 2017

| | Note | 28 February 2017 £ | 29 February 2016 £ |
|---|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 131,898 | 112,120 |
| Investments | 5 | 100 | 100 |
| | | <u>131,998</u> | <u>112,220</u> |
| Current assets | | | |
| Stocks | | 466,093 | 491,055 |
| Debtors: amounts falling due within one year | 6 | 649,664 | 621,319 |
| Cash at bank and in hand | | 12,198 | 7,750 |
| | | <u>1,127,955</u> | <u>1,120,124</u> |
| Creditors: amounts falling due within one year | 7 | (826,795) | (774,363) |
| Net current assets | | <u>301,160</u> | <u>345,761</u> |
| Total assets less current liabilities | | <u>433,158</u> | <u>457,981</u> |
| Creditors: amounts falling due after more than one year | 8 | - | (21,976) |
| Provisions for liabilities | | | |
| Deferred tax | 10 | (22,204) | (17,673) |
| | | <u>(22,204)</u> | <u>(17,673)</u> |
| Net assets | | <u>410,954</u> | <u>418,332</u> |
| Capital and reserves | | | |
| Called up share capital | | 10,000 | 10,000 |
| Profit and loss account | | 400,954 | 408,332 |
| | | <u>410,954</u> | <u>418,332</u> |

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

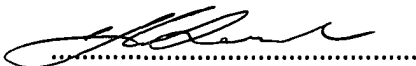
Supertex Furnishing Limited
Registered number: 01365538

Balance Sheet (continued)
As at 28 February 2017

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



H L Boocock
Director

Date: 02/11/17

The notes on pages 3 to 12 form part of these financial statements.

Supertex Furnishing Limited

Notes to the Financial Statements For the Year Ended 28 February 2017

1. General information

Supertex Furnishing Limited is a members' limited liability company registered in England and Wales, company number 01365538. The registered office is Whinfield House, Centurion Way, Farington, Leyland, Preston, PR25 4GU.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

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 discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the 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; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

| | |
|-------------------|------------------------------------|
| Plant & machinery | - 15% - 25% reducing balance basis |
| Motor vehicles | - 25% reducing balance basis |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

Supertex Furnishing Limited

**Notes to the Financial Statements
For the Year Ended 28 February 2017**

2. Accounting policies (continued)

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Stocks

Stocks 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.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Supertex Furnishing Limited

Notes to the Financial Statements For the Year Ended 28 February 2017

2. Accounting policies (continued)

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and 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 Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest 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.

2.11 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.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

Supertex Furnishing Limited

Notes to the Financial Statements For the Year Ended 28 February 2017

2. Accounting policies (continued)

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is 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.

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 30 (2016 -28).

Supertex Furnishing Limited

**Notes to the Financial Statements
For the Year Ended 28 February 2017**

4. Tangible fixed assets

| | Plant & machinery £ | Motor vehicles £ | Total £ |
|---------------------------------------|---------------------------|------------------------|----------------|
| Cost or valuation | | | |
| At 1 March 2016 | 604,588 | 135,624 | 740,212 |
| Additions | 30,271 | 39,250 | 69,521 |
| Disposals | - | (64,255) | (64,255) |
| At 28 February 2017 | <u>634,859</u> | <u>110,619</u> | <u>745,478</u> |
| Depreciation | | | |
| At 1 March 2016 | 529,174 | 98,918 | 628,092 |
| Charge for the period on owned assets | 23,023 | 15,160 | 38,183 |
| Disposals | - | (52,694) | (52,694) |
| At 28 February 2017 | <u>552,197</u> | <u>61,384</u> | <u>613,581</u> |
| Net book value | | | |
| At 28 February 2017 | <u>82,662</u> | <u>49,235</u> | <u>131,897</u> |
| At 29 February 2016 | <u>75,414</u> | <u>36,706</u> | <u>112,120</u> |

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

| | 28 February 2017 £ | 29 February 2016 £ |
|----------------|--------------------------|--------------------------|
| Motor vehicles | <u>19,021</u> | <u>12,870</u> |
| | <u>19,021</u> | <u>12,870</u> |

Supertex Furnishing Limited

**Notes to the Financial Statements
For the Year Ended 28 February 2017**

5. Fixed asset investments

| | Investments in subsidiary companies £ |
|---------------------------|--|
| Cost or valuation | |
| At 1 March 2016 | 100 |
| At 28 February 2017 | <u>100</u> |
| Net book value | |
| At 28 February 2017 | <u>100</u> |
| At 29 February 2016 | <u>100</u> |

6. Debtors

| | 28 February 2017 £ | 29 February 2016 £ |
|------------------------------------|-----------------------------------|-----------------------------------|
| Trade debtors | 458,035 | 425,505 |
| Amounts owed by group undertakings | 81,734 | 88,211 |
| Other debtors | 60,586 | 74,146 |
| Prepayments and accrued income | 49,309 | 33,457 |
| | <u>649,664</u> | <u>621,319</u> |

Supertex Furnishing Limited

**Notes to the Financial Statements
For the Year Ended 28 February 2017**

7. Creditors: Amounts falling due within one year

| | 28 February 2017 £ | 29 February 2016 £ |
|---|-----------------------------------|-----------------------------------|
| Other loans | 21,976 | 68,904 |
| Trade creditors | 296,027 | 187,225 |
| Corporation tax | 38,111 | 45,322 |
| Other taxation and social security | 182,590 | 174,065 |
| Obligations under finance lease and hire purchase contracts | 10,500 | 3,130 |
| Invoice discounting facility | 208,787 | 252,443 |
| Other creditors | 27,725 | 17,577 |
| Accruals and deferred income | 41,079 | 25,697 |
| | 826,795 | 774,363 |

Net obligations under finance lease and hire purchase contracts are secured against the assets to which they relate.

The invoice discounting facility is secured on the book debts of the company.

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

| | 28 February 2017 £ | 29 February 2016 £ |
|-------------|-----------------------------------|-----------------------------------|
| Other loans | - | 21,976 |
| | - | 21,976 |

Supertex Furnishing Limited

Notes to the Financial Statements
For the Year Ended 28 February 2017

9. Loans

Analysis of the maturity of loans is given below:

| | 28 February 2017 £ | 29 February 2016 £ |
|--|--------------------------|--------------------------|
| Amounts falling due within one year | | |
| Other loans | 21,976 | 68,904 |
| | <u>21,976</u> | <u>68,904</u> |
| Amounts falling due 1-2 years | | |
| Other loans | - | 21,976 |
| | <u>-</u> | <u>21,976</u> |
| | <u>21,976</u> | <u>90,880</u> |

10. Deferred taxation

| | 2017 £ | 2016 £ |
|---------------------------|-----------------|-----------------|
| At beginning of year | (17,673) | (15,585) |
| Charged to profit or loss | (4,531) | (2,088) |
| At end of year | <u>(22,204)</u> | <u>(17,673)</u> |

The provision for deferred taxation is made up as follows:

| | 28 February 2017 £ | 29 February 2016 £ |
|--------------------------------|--------------------------|--------------------------|
| Accelerated capital allowances | (22,204) | (17,673) |
| | <u>(22,204)</u> | <u>(17,673)</u> |

Supertex Furnishing Limited

**Notes to the Financial Statements
For the Year Ended 28 February 2017**

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £9,639 (2016: £5,327). Contributions totalling £1,013 (2016: £nil) were payable to the fund at the balance sheet date and are included in creditors.

12. Commitments under operating leases

At 28 February 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

| | 28 February 2017 £ | 29 February 2016 £ |
|--|-----------------------------------|-----------------------------------|
| Not later than 1 year | 53,555 | 57,801 |
| Later than 1 year and not later than 5 years | 202,148 | 205,702 |
| Later than 5 years | 100,000 | 150,000 |
| | <u>355,703</u> | <u>413,503</u> |

Supertex Furnishing Limited

**Notes to the Financial Statements
For the Year Ended 28 February 2017**

13. First time adoption of FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 March 2015. The impact of the transition to FRS 102 is as follows:

Reconciliation of equity at 1 March 2015

| | Note | £ |
|--|------|-----------------------|
| Equity at 1 March 2015 under previous UK GAAP | | 359,226 |
| Equity shareholders funds at 1 March 2015 under FRS 102 | | <u><u>359,226</u></u> |

Reconciliation of equity at 29 February 2016

| | Note | £ |
|--|------|-----------------------|
| Equity at 29 February 2016 under previous UK GAAP | | 413,483 |
| Adjustment for holiday pay provision | | (5,152) |
| Equity shareholders funds at 29 February 2016 under FRS 102 | | <u><u>408,331</u></u> |

Reconciliation of profit and loss account for the year ended 29 February 2016

| | £ |
|---|-----------------------|
| Profit for the year under previous UK GAAP | 189,239 |
| Adjustment for holiday pay provision | (5,152) |
| Profit for the year ended 29 February 2016 under FRS 102 | <u><u>184,087</u></u> |

The following were changes in accounting policies arising from the transition to FRS 102:

- 1 On transition to FRS 102 1A - Small Entities, the company has recognised a holiday pay provision in respect of holiday which was owed to its employees and has restated the reserves in respect of this.