
THE CRAFTSMEN POTTERS TRADING COMPANY LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017



THE CRAFTSMEN POTTERS TRADING COMPANY LTD

COMPANY INFORMATION

Directors J Nicholls (resigned 1 October 2017)
J Alexander
A Lambert (appointed 1 October 2017)

Registered number 02226763

Registered office 63 Great Russell Street
London
WC1B 3BF

Independent auditors haysmacintyre
10 Queen Street Place
London
EC4R 1AG

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 5
Statement of income and retained earnings	6
Balance sheet	7
Notes to the financial statements	8 - 14
The following pages do not form part of the statutory financial statements:	
Detailed profit and loss account and summaries	15 - 17

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 to 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.

Directors

The directors who served during the year were:

J Nicholls (resigned 1 October 2017)

J Alexander

A Lambert (appointed 1 October 2017)

Disclosure 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 the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

This report was approved by the board on 8 September 2018 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'J Alexander', written over the text of the approval statement.

J Alexander
Director

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE CRAFTSMEN POTTERS TRADING COMPANY LTD

Opinion

We have audited the financial statements of The Craftsmen Potters Trading Company Ltd (the 'Company') for the year ended 31 December 2017, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE CRAFTSMEN POTTERS TRADING COMPANY LTD (CONTINUED)

misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE CRAFTSMEN POTTERS TRADING COMPANY LTD (CONTINUED)

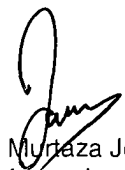
Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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 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 and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Murtaza Jessa (Senior statutory auditor)
for and on behalf of

haysmacintyre
Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

8 September 2018

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Turnover		494,805	425,502
Cost of sales		(243,821)	(204,564)
Gross profit		250,984	220,938
Administrative expenses		(210,745)	(179,540)
Other operating income	3	5,000	10,000
Operating profit		45,239	51,398
Interest receivable and similar income		257	125
Profit before tax		45,496	51,523
Tax on profit		(8,513)	(10,363)
Profit after tax		36,983	41,160
Retained earnings at the beginning of the year		(28,412)	(69,572)
		(28,412)	(69,572)
Profit for the year		36,983	41,160
Retained earnings at the end of the year		8,571	(28,412)
The notes on pages 8 to 14 form part of these financial statements.			

THE CRAFTSMEN POTTERS TRADING COMPANY LTD
REGISTERED NUMBER:02226763

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	4,704	3,441
		<u>4,704</u>	<u>3,441</u>
Current assets			
Stocks	6	8,433	9,989
Debtors: amounts falling due after more than one year	7	45,442	61,086
Debtors: amounts falling due within one year	7	-	922
Cash at bank and in hand	8	253,275	181,627
		<u>307,150</u>	<u>253,624</u>
Creditors: amounts falling due within one year	9	(56,322)	(57,707)
Net current assets		<u>250,828</u>	<u>195,917</u>
Total assets less current liabilities		<u>255,532</u>	<u>199,358</u>
Creditors: amounts falling due after more than one year	10	(194,622)	(175,431)
Net assets		<u><u>60,910</u></u>	<u><u>23,927</u></u>
Capital and reserves			
Called up share capital		52,339	52,339
Profit and loss account		8,571	(28,412)
		<u><u>60,910</u></u>	<u><u>23,927</u></u>

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.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 September 2018.


J Alexander
 Director

The notes on pages 8 to 14 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

The company was incorporated in England, its registered office is shown on the Company Information page.

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 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.

2.4 Grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of income and retained earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.5 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.6 Taxation

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.

2.7 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:

Fixtures & fittings	-	25%
---------------------	---	-----

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.

2.8 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.

2.9 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.

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 Financial instruments

The Company only enters into basic financial instrument 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.

3. Other operating income

	2017 £	2016 £
Grants receivable	5,000	10,000
	<u>5,000</u>	<u>10,000</u>

4. Employees

The average monthly number of employees, including directors, during the year was 4 (2016 - 4).

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Tangible fixed assets

	Fixtures & fittings £
Cost or valuation	
At 1 January 2017	20,811
Additions	2,831
At 31 December 2017	<u>23,642</u>
Depreciation	
At 1 January 2017	17,370
Charge for the year on owned assets	1,568
At 31 December 2017	<u>18,938</u>
Net book value	
At 31 December 2017	<u><u>4,704</u></u>
<i>At 31 December 2016</i>	<u><u>3,441</u></u>

6. Stocks

	2017 £	2016 £
Finished goods and goods for resale	8,433	9,989
	<u><u>8,433</u></u>	<u><u>9,989</u></u>

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. Debtors

	2017 £	2016 £
Due after more than one year		
Amounts owed by group undertakings	45,442	61,086
	<u>45,442</u>	<u>61,086</u>
	<u><u>45,442</u></u>	<u><u>61,086</u></u>
Due within one year		
Prepayments and accrued income	-	922
	<u>-</u>	<u>922</u>
	<u><u>-</u></u>	<u><u>922</u></u>

8. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	253,275	181,627
	<u>253,275</u>	<u>181,627</u>
	<u><u>253,275</u></u>	<u><u>181,627</u></u>

9. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,250	4,600
Corporation tax	8,513	10,363
Other taxation and social security	12,451	12,266
Other creditors	708	478
Accruals and deferred income	33,400	30,000
	<u>56,322</u>	<u>57,707</u>
	<u><u>56,322</u></u>	<u><u>57,707</u></u>

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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

	2017 £	2016 £
Amounts owed to group undertakings	194,622	175,431
	<u>194,622</u>	<u>175,431</u>

11. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at amortised cost	<u>45,442</u>	<u>61,086</u>
Financial liabilities		
Other financial liabilities measured at amortised cost	<u>196,580</u>	<u>180,509</u>

Financial assets measured at amortised cost comprise inter-company balances.

Other financial liabilities measured at amortised cost comprise trade, other creditors and inter-company creditors.

12. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date.

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

13. Related party transactions

During the year, the company purchased books and magazines on normal business terms from a fellow subsidiary company, Ceramic Review Publishing Limited amounting to £2,717 (2016 - £5,650).

The company sold pottery goods supplied by the following individuals who are members of the Council of Management of the Craft Potters Association of Great Britain, the parent company of Craftsmen Potters Trading Company Ltd:

P Beard £6,037 (2016 - £2,038)
K Bendavid £75 (2016 - £29)
R King £nil (2016 - £5,525)
A Lambert £4,526 (2016 - £1,060)
N Lambert 789 (2016 - £798)
J Nichols £598 (2016 - £581)
R Phethean £nil (2016 - £355)
B Brierley £173 (2016 - £nil)
M Gardiner £555 (2016 - £nil)
C Genders £1,722 (2016 - £nil)
L Sobie (£2,729 (2016 - £nil)

All the above pottery items were supplied to and sold by Craftsmen Potters Trading Company Ltd on normal commercial terms.

14. Controlling party

The ultimate parent company is the Craft Potters Association of Great Britain, an organisation registered under the Co-operative and Community Benefit Societies Act 2014.

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover		494,805	425,502
Cost Of Sales		(243,821)	(204,564)
Gross profit		<u>250,984</u>	<u>220,938</u>
Gross profit %		50.7 %	51.9 %
Other operating income		5,000	10,000
Less: overheads			
Administration expenses		(210,745)	(179,540)
Operating profit		<u>45,239</u>	<u>51,398</u>
Interest receivable		257	125
Tax on profit on ordinary activities		(8,513)	(10,363)
Profit for the year		<u>36,983</u>	<u>41,160</u>

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £	2016 £
Cost of sales		
Opening stock	9,989	8,246
Closing stock	(8,433)	(9,989)
Purchases	242,265	206,307
	<u>243,821</u>	<u>204,564</u>
	2017 £	2016 £
Turnover		
Sales	494,805	425,502
	<u>494,805</u>	<u>425,502</u>
	2017 £	2016 £
Other operating income		
Grants receivable	5,000	10,000
	<u>5,000</u>	<u>10,000</u>

THE CRAFTSMEN POTTERS TRADING COMPANY LTD

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	2017 £	2016 £
Administration expenses		
Staff salaries	110,378	99,067
Hotels, travel and subsistence	2,116	2,415
Printing and stationery	6,680	5,245
Telephone and fax	967	864
Computer costs	7,016	300
Advertising and promotion	5,907	6,100
Legal and professional	28	-
Auditors' remuneration	3,200	3,750
Auditors' remuneration - non-audit	875	600
Bank charges	10,647	9,747
Sundry expenses	4,067	864
Rent - operating leases	31,000	31,000
Rates	8,603	7,495
Light and heat	2,429	2,824
Cleaning	2,045	1,695
Insurance	4,953	4,527
Repairs and maintenance	5,797	86
Other premises costs	583	588
Depreciation	1,568	1,147
Staff training	379	-
Packaging and shop sundries	1,507	1,226
	<u>210,745</u>	<u>179,540</u>
	2017 £	2016 £
Interest receivable		
Bank interest receivable	257	125
	<u>257</u>	<u>125</u>