

Company Registration No. 02909943 (England and Wales)

COTTEE FIBRES LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017
PAGES FOR FILING WITH REGISTRAR

COTTEE FIBRES LTD

COMPANY INFORMATION

Director	Mr G J Cottee
Secretary	Mrs M J Cottee
Company number	02909943
Registered office	370-374 Nottingham Road Newthorpe Nottingham Nottinghamshire NG16 2ED
Accountants	Baldwins (Nottingham) Limited 370-374 Nottingham Road Newthorpe Nottinghamshire NG16 2ED

COTTEE FIBRES LTD

CONTENTS

	Page
Accountants' report	1
Balance sheet	2
Statement of changes in equity	3
Notes to the financial statements	4 - 10

COTTEE FIBRES LTD

ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF COTTEE FIBRES LTD FOR THE YEAR ENDED 31 JULY 2017

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Cottee Fibres Ltd for the year ended 31 July 2017 which comprise, the Balance Sheet, the Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Cottee Fibres Ltd, as a body, in accordance with the terms of our engagement letter dated 14 February 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Cottee Fibres Ltd and state those matters that we have agreed to state to the Board of Directors of Cottee Fibres Ltd, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cottee Fibres Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Cottee Fibres Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Cottee Fibres Ltd. You consider that Cottee Fibres Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Cottee Fibres Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Baldwins (Nottingham) Limited

26 February 2018

Accountants

370-374 Nottingham Road
Newthorpe
Nottinghamshire
NG16 2ED

COTTEE FIBRES LTD

BALANCE SHEET

AS AT 31 JULY 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		22,551		9,258
Current assets					
Stocks		20,037		28,829	
Debtors	4	56,162		37,571	
		<u>76,199</u>		<u>66,400</u>	
Creditors: amounts falling due within one year	5	<u>(66,972)</u>		<u>(57,093)</u>	
Net current assets			9,227		9,307
Total assets less current liabilities			31,778		18,565
Creditors: amounts falling due after more than one year	6		(17,550)		(5,110)
Provisions for liabilities	7		(4,061)		(1,565)
Net assets			<u>10,167</u>		<u>11,890</u>
Capital and reserves					
Called up share capital	8		5,000		5,000
Profit and loss reserves			5,167		6,890
Total equity			<u>10,167</u>		<u>11,890</u>

The director of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 July 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and signed by the director and authorised for issue on 26 February 2018

Mr G J Cottee

Director

Company Registration No. 02909943

COTTEE FIBRES LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2017

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 August 2015	5,000	7,504	12,504
Year ended 31 July 2016:			
Profit and total comprehensive income for the year	-	11,386	11,386
Dividends	-	(12,000)	(12,000)
	<u>5,000</u>	<u>6,890</u>	<u>11,890</u>
Balance at 31 July 2016	5,000	6,890	11,890
Year ended 31 July 2017:			
Profit and total comprehensive income for the year	-	6,610	6,610
Dividends	-	(8,333)	(8,333)
	<u>5,000</u>	<u>5,167</u>	<u>10,167</u>
Balance at 31 July 2017	<u>5,000</u>	<u>5,167</u>	<u>10,167</u>

COTTEE FIBRES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2017

1 Accounting policies

Company information

Cottee Fibres Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 370-374 Nottingham Road, Newthorpe, Nottingham, Nottinghamshire, NG16 2ED.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	15% on a reducing balance basis
Fixtures, fittings & equipment	30% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

COTTEE FIBRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2017

1 Accounting policies

(Continued)

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

COTTEE FIBRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2017

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

COTTEE FIBRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2016 - 4).

COTTEE FIBRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2017

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 August 2016	21,488
Additions	20,333
Disposals	(10,708)
At 31 July 2017	31,113
Depreciation and impairment	
At 1 August 2016	12,230
Depreciation charged in the year	5,788
Eliminated in respect of disposals	(9,456)
At 31 July 2017	8,562
Carrying amount	
At 31 July 2017	22,551
At 31 July 2016	9,258

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	55,052	37,571
Corporation tax recoverable	1,110	-
	56,162	37,571

COTTEE FIBRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2017

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	23,560	16,884
Obligations under finance leases & hire purchase contracts	4,784	1,119
Trade creditors	27,001	24,004
Corporation tax	-	1,791
Other taxation and social security	3,003	3,231
Other creditors	7,096	8,292
Accruals and deferred income	1,528	1,772
	<u>66,972</u>	<u>57,093</u>

The bank overdraft and loan are secured by way of fixed and floating charged over all property and assets of the company.

Amounts due under finance leases and hire purchase agreements are secured by the assets to which they relate.

6 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Obligations under finance leases & hire purchase contracts	<u>17,550</u>	<u>5,110</u>

The bank overdraft and loan are secured by way of fixed and floating charged over all property and assets of the company.

Amounts due under finance leases and hire purchase agreements are secured by the assets to which they relate.

7 Deferred taxation

The following are the deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Accelerated capital allowances	<u>4,061</u>	<u>1,565</u>

COTTEE FIBRES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2017

7 Deferred taxation (Continued)

Movements in the year:	2017
	£
Liability at 1 August 2016	1,565
Charge to profit or loss	2,496
Liability at 31 July 2017	<u>4,061</u>

8 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Issued and fully paid		
5,000 Ordinary shares of £1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

9 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

Name of related party	Nature of relationship	Description of transaction	Income		Payments	
			2017	2016	2017	2016
			£	£	£	£
Other related parties	Other related party	Rent and recharged expenses	8,541	8,263	7,022	7,162

Amounts owed to/by related parties

The following amounts were outstanding at the reporting end date:

	Amount owed to		Amounts owed by	
	2017	2016	2017	2016
	£	£	£	£
Entities with control, joint control or significant influence over the company	7,096	8,292	-	-
Other related parties	-	-	1,103	-

Dividends totalling £5000 (2016 - £7,200) were paid in the year in respect of shares held by the company's directors.

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.