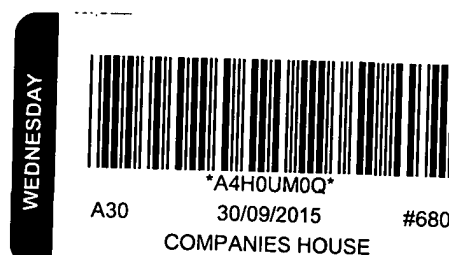


Financial Statements

Couristan Carpets (UK) Limited

For the year ended 31 December 2014



Registered number: 2995730

Couristan Carpets (UK) Limited

Company Information

Directors	G G Couri N P Coree R J Couri
Company secretary	R J Couri
Registered number	2995730
Registered office	Crown Works Eccleston Street St. Helens WA10 2PJ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 4 Hardman Square Manchester M3 3EB
Bankers	The Royal Bank of Scotland Plc PO Box 666 Ashton House Waterloo Street Bolton BL1 8FH
Solicitors	Eversheds LLP Eversheds House 70 Great Bridgewater Street Manchester M1 5ES

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Directors' report

For the year ended 31 December 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

Principal activity and business review

The principal activity of the company is the importing and selling of axminster carpet for the contract business. The directors are pleased to report a gross profit margin of 3.0%. Gross margin along with turnover are the key financial performance indicators of the business and are shown in the profit and loss account. Profit before tax has declined to a loss of £188,584 compared to a prior year profit of £162,841.

Directors

The directors who served during the year and up to the date of approval of these financial statements were:

G G Couri
N P Coree
R J Couri

Financial risk management objectives and policies

The company uses various financial instruments; these include cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The main risks arising from the company's financial instruments are currency risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

The company is exposed to foreign exchange risk. The directors' policy for managing this risk is to ensure that as far as possible the assets held in foreign currency are matched to an appropriate level of borrowings in the same currency.

The company's principal financial assets are cash and trade debtors. The credit risk associated with the cash is limited as the counterparties have high credit ratings associated by international credit-rating agencies. The principal credit risk arises therefore from its trade debtors.

In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

The company also has a procedure to insure 90% of the value of a debt provided that certain requirements are met.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Directors' report

For the year ended 31 December 2014

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 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.

Disclosure of information to auditor

The directors confirm that:

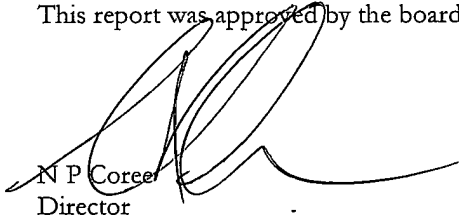
- so far as the directors is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

This report was approved by the board on 22 September 2015 and signed on its behalf.


N P Corcoran
Director



Independent auditor's report to the members of Couristan Carpets (UK) Limited

We have audited the financial statements of Couristan Carpets (UK) Limited for the year ended 31 December 2014, which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Note of historical cost profits and losses, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Auditor's 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement set out on pages 1 to 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent auditor's report to the members of Couristan Carpets (UK) Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

Grant Thornton UK LLP.

Joanne Love (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Manchester

Date: *30 September 2015.*

Profit and loss account

For the year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	1,2	9,437,476	11,259,977
Cost of sales		(9,157,132)	(10,584,028)
Gross profit		280,344	675,949
Administrative expenses		(458,930)	(499,236)
Operating (loss)/profit	3	(178,586)	176,713
Interest receivable and similar income	6	619	1,465
Interest payable and similar charges	7	(3,617)	(7,337)
Other finance income	8	(7,000)	(8,000)
(Loss)/profit on ordinary activities before taxation		(188,584)	162,841
Tax on (loss)/profit on ordinary activities	9	63,999	(37,628)
(Loss)/profit for the financial year	17	(124,585)	125,213

All amounts relate to continuing operations.

The notes on pages 9 to 22 form part of these financial statements.

Statement of total recognised gains and losses

For the year ended 31 December 2014

	Note	2014 £	2013 £
(Loss)/profit for the financial year		(124,585)	125,213
Actuarial (loss)/gain related to pension scheme	21	(43,000)	14,000
Deferred tax attributable to actuarial gain	21	(26,800)	26,800
Total recognised gains and losses relating to the year		(194,385)	166,013

Note of historical cost profits and losses

For the year ended 31 December 2014

	2014 £	2013 £
Reported (loss)/profit on ordinary activities before taxation	(188,584)	162,841
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	9,382	9,382
Historical cost (loss)/profit on ordinary activities before taxation	(179,202)	172,223
Historical (loss)/profit for the year after taxation	(115,203)	134,595

The notes on pages 9 to 22 form part of these financial statements.

Balance sheet

As at 31 December 2014

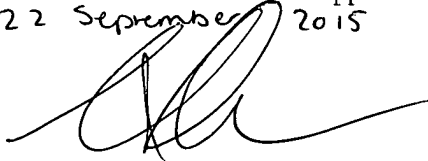
	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	10		518,494		531,468
Current assets					
Stocks	11	36,528		62,422	
Debtors: amounts falling due after more than one year	12	388,000		485,000	
Debtors: amounts falling due within one year	12	948,126		1,325,328	
Cash at bank and in hand		646,680		788,490	
			<u>2,019,334</u>	<u>2,661,240</u>	
Creditors: amounts falling due within one year	13	<u>(1,528,737)</u>		<u>(1,707,227)</u>	
Net current assets			<u>490,597</u>		<u>954,013</u>
Total assets less current liabilities			<u>1,009,091</u>		<u>1,485,481</u>
Creditors: amounts falling due after more than one year	14		<u>(10,576)</u>		<u>(20,155)</u>
Provisions for liabilities					
Deferred tax	15		<u>-</u>		<u>(32,226)</u>
Net assets excluding pension scheme liability			<u>998,515</u>		<u>1,433,100</u>
Defined benefit pension scheme liability	21		<u>(155,000)</u>		<u>(95,200)</u>
Net assets including pension scheme liability			<u>843,515</u>		<u>1,337,900</u>
Capital and reserves					
Called up share capital	16		375,000		375,000
Share premium account	17		287,840		287,840
Revaluation reserve	17		322,577		331,959
Profit and loss account	17		<u>(141,902)</u>		<u>343,101</u>
Shareholders' funds	18		<u>843,515</u>		<u>1,337,900</u>

Couristan Carpets (UK) Limited

Balance sheet (continued)

As at 31 December 2014

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
22 September 2015

A handwritten signature in black ink, appearing to be 'N P Coree', written over the date '22 September 2015'.

N P Coree
Director

The notes on pages 9 to 22 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards and UK Generally Accepted Accounting Practice.

1.2 Going concern

The directors have prepared and reviewed cash flow forecasts for the period ending 12 months from the date of these financial statements, which they consider to be achievable given the current levels of trading. These forecasts indicate (taking into account reasonably possible changes in trading performance) that the company should be able to operate within its existing facilities.

On the basis of their assessment of the company's financial position, the directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Turnover and revenue recognition

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts. Turnover is recognised at the point at which goods are dispatched or services completed.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and buildings	-	2% per annum
Plant and machinery	-	5% - 10% per annum
Computer and office equipment	-	20% - 33.3% per annum

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.

Net realisable value is the estimated selling price less all further costs to complete and all costs to be incurred in selling.

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies (continued)

1.6 Leasing and hire purchase commitments

When the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future installments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the capital element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future installments.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

1.7 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 1 January 2013, which has been updated to 31 December 2014. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

The company also operated a pension scheme providing benefits based on an employee's number of years service. The assets of the scheme are held separately from those of the company. Scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the company. The current service cost and costs from settlements and curtailments are charged against operating profit. Past service costs are spread over the period until the benefit increases. Interest on the scheme liabilities and the expected return on scheme assets are included net in other finance costs. Actuarial gains and losses are reported in the statement of total recognised gains and losses.

1.8 Current taxation

The current tax charge is based on the profit/(loss) for the year and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Current and deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to a gain or loss that is or has been recognised directly in the statement of total recognised gains and losses.

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies (continued)

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.10 Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2014 £	2013 £
United Kingdom	252,702	243,258
Overseas sales	9,184,774	11,016,719
	<u>9,437,476</u>	<u>11,259,977</u>

Notes to the financial statements

For the year ended 31 December 2014

3. Operating (loss)/profit

The operating (loss)/profit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	26,006	27,071
- held under hire purchase agreements	9,508	9,508
Auditor's remuneration	14,050	12,350
Auditor's remuneration - non-audit	3,000	3,000
Operating lease rentals:		
- plant and machinery	16,488	20,713
Difference on foreign exchange	(5,681)	11,477
	<u> </u>	<u> </u>

4. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	852,247	794,903
Social security costs	89,931	82,051
Other pension costs (Note 21)	60,906	57,521
	<u> </u>	<u> </u>
	<u>1,003,084</u>	<u>934,475</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Number of production staff	33	31
Number of distribution staff	1	1
Number of administrative staff	4	4
	<u> </u>	<u> </u>
	<u>38</u>	<u>36</u>

Notes to the financial statements

For the year ended 31 December 2014

5. Directors' remuneration

	2014 £	2013 £
Remuneration	<u>75,748</u>	<u>75,961</u>
Company pension contributions to defined contribution pension schemes	<u>8,938</u>	<u>5,447</u>

During the year retirement benefits were accruing to 1 director (2013 - 1) in respect of defined contribution pension schemes.

6. Interest receivable

	2014 £	2013 £
Other interest receivable	<u>619</u>	<u>1,465</u>

7. Interest payable

	2014 £	2013 £
On bank overdraft	105	20
On finance leases and hire purchase contracts	3,512	7,317
	<u>3,617</u>	<u>7,337</u>

8. Other finance income

	2014 £	2013 £
Expected return on pension scheme assets	4,000	2,000
Interest on pension scheme liabilities	(11,000)	(10,000)
	<u>(7,000)</u>	<u>(8,000)</u>

Notes to the financial statements

For the year ended 31 December 2014

9. Taxation

	2014 £	2013 £
Analysis of tax (credit)/charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit/(loss) for year	(14,685)	14,685
Deferred tax (see note 15)		
Origination and reversal of timing differences	(49,314)	22,943
Tax on profit/(loss) on ordinary activities	<u>(63,999)</u>	<u>37,628</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21.49% (2013 - 20%). The differences are explained below:

	2014 £	2013 £
(Loss)/profit on ordinary activities before tax	<u>(188,584)</u>	<u>162,841</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013 - 20%)	(40,533)	32,568
Effects of:		
Fixed asset differences	3,552	-
Expenses not deductible for tax purposes	1,505	1,600
Differences between capital allowances and depreciation	-	4,905
Losses carried back	11,282	-
Adjustments to tax charge in respect of prior years	(14,685)	-
Capital allowances in excess of depreciation	(763)	-
Unrelieved tax losses and other deductions arising in the period	24,957	(24,388)
Current tax (credit)/charge for the year (see note above)	<u>(14,685)</u>	<u>14,685</u>

Notes to the financial statements

For the year ended 31 December 2014

10. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Computer and office equipment £	Total £
Cost or valuation				
At 1 January 2014	825,848	97,356	835,277	1,758,481
Additions	-	-	22,540	22,540
At 31 December 2014	825,848	97,356	857,817	1,781,021
Depreciation				
At 1 January 2014	313,620	97,356	816,037	1,227,013
Charge for the year	16,524	-	18,990	35,514
At 31 December 2014	330,144	97,356	835,027	1,262,527
Net book value				
At 31 December 2014	495,704	-	22,790	518,494
At 31 December 2013	512,228	-	19,240	531,468

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

	2014 £	2013 £
Computer and office equipment	-	9,507

The freehold land and buildings were valued at their open market value for existing use as at 15 December 1994 by J B & B Leach, Valuers and Surveyors. The directors have adopted this valuation as deemed cost in accordance with Financial Reporting Standard No. 15. The directors have opted to follow the transitional provisions of the Financial Reporting Standard, so the valuation has not been updated since the Standard was applied.

If certain fixed assets had not been revalued they would have been included on the historic cost basis at the following amounts:

	2014 £	2013 £
Cost	356,806	356,806
Accumulated depreciation	(183,679)	(176,537)
Net book amount	173,127	180,269

Notes to the financial statements

For the year ended 31 December 2014

11. Stocks

	2014	2013
	£	£
Finished goods and goods for resale	36,528	62,422

12. Debtors

	2014	2013
	£	£
Due after more than one year		
Other debtors	388,000	485,000
Due within one year		
Trade debtors	368,576	324,692
Amounts owed by related undertakings	430,560	841,457
Other debtors	101,186	122,958
Prepayments and accrued income	20,217	36,221
Corporation tax recoverable	10,499	-
Deferred tax asset (see note 15)	17,088	-
	948,126	1,325,328

13. Creditors:

Amounts falling due within one year

	2014	2013
	£	£
Amounts due under hire purchase contracts	9,579	8,580
Trade creditors	967,584	1,394,522
Amounts owed to group undertakings	127,310	1,695
Corporation tax	-	14,685
Other taxation and social security	53,074	25,855
Other creditors	241,517	134,857
Accruals and deferred income	129,673	127,033
	1,528,737	1,707,227

Finance lease obligations are secured against the assets to which they relate.

Notes to the financial statements

For the year ended 31 December 2014

14. Creditors:

Amounts falling due after more than one year

	2014 £	2013 £
Amounts due under hire purchase contracts	10,576	20,155

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2014 £	2013 £
Between one and five years	10,576	20,155

Finance lease obligations are secured against the assets to which they relate.

15. Deferred taxation

	2014 £	2013 £
At beginning of year	(32,226)	(9,437)
Cedited/(charged) in year	49,314	(22,789)
At end of year	17,088	(32,226)

The deferred taxation balance is made up as follows:

	2014 £	2013 £
Excess of taxation allowances over depreciation on fixed assets	6,136	9,437
Other timing differences	(23,224)	22,789
	(17,088)	32,226

16. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
375,000 Ordinary shares of £1 each	375,000	375,000

Notes to the financial statements

For the year ended 31 December 2014

17. Reserves

	Share premium account £	Revaluation reserve £	Profit and loss account £
At 1 January 2014	287,840	331,959	343,101
Loss for the financial year	-	-	(124,585)
Dividends paid (note 19)	-	-	(300,000)
Actuarial loss net of deferred tax	-	-	(69,800)
Transfer between reserves	-	(9,382)	9,382
At 31 December 2014	<u>287,840</u>	<u>322,577</u>	<u>(141,902)</u>

The closing balance on the profit and loss account includes a £155,000 (2013 - £95,200) debit, stated after deferred taxation of £NIL (2013 - £26,800), in respect of pension scheme liabilities of the company pension scheme.

18. Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Opening shareholders' funds	1,337,900	1,171,887
(Loss)/profit for the financial year	(124,585)	125,213
Dividends (Note 19)	(300,000)	-
Other recognised gains and losses during the year	(69,800)	40,800
Closing shareholders' funds	<u>843,515</u>	<u>1,337,900</u>

19. Dividends

	2014 £	2013 £
Dividends paid on equity capital	<u>300,000</u>	<u>-</u>

The dividend was declared and paid in January 2014.

20. Financial commitments

The company is subject to a duty deferment guarantee in respect of HM Revenue & Customs for £40,000. (2013 - £40,000).

Notes to the financial statements

For the year ended 31 December 2014

21. Pension commitments

The company operates a defined contribution pension scheme.

Contributions to the scheme is independently administered by insurance companies. The pension charge for the year was £60,906 (2013: £57,521).

In addition, the company operated a pension scheme providing benefits based on employees' number of years service. The assets of the scheme are held separately from those of the company.

On 30 June 2000, the scheme ceased. The valuation at this date showed that the realisable value of the scheme assets was £22,919 and that a deficiency of £261,551 existed.

An actuarial valuation for FRS 17 purposes has been performed as at 31 December 2014. The deficit recognised in the balance sheet amounts to £155,000 (2013: £122,000).

The amounts recognised in the balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(297,000)	(249,000)
Fair value of scheme assets	142,000	127,000
	<hr/>	<hr/>
Deficit in scheme	(155,000)	(122,000)
Related deferred tax asset	-	26,800
	<hr/>	<hr/>
Net liability	(155,000)	(95,200)
	<hr/>	<hr/>

The amounts recognised in profit or loss are as follows:

	2014 £	2013 £
Interest on obligation	(11,000)	(10,000)
Expected return on scheme assets	4,000	2,000
	<hr/>	<hr/>
Total	(7,000)	(8,000)
	<hr/>	<hr/>
Actual return on scheme assets	(2,000)	(1,000)
	<hr/>	<hr/>

Notes to the financial statements

For the year ended 31 December 2014

21. Pension commitments (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2014	2013
	£	£
Opening defined benefit obligation	249,000	259,000
Interest cost	11,000	10,000
Actuarial losses/(gains)	37,000	(17,000)
Benefits paid	-	(3,000)
	<hr/>	<hr/>
Closing defined benefit obligation	297,000	249,000
	<hr/>	<hr/>

Changes in the fair value of scheme assets were as follows:

	2014	2013
	£	£
Opening fair value of scheme assets	127,000	119,000
Expected return on scheme assets	4,000	2,000
Actuarial losses	(6,000)	(3,000)
Contributions by employer	17,000	12,000
Benefits paid	-	(3,000)
	<hr/>	<hr/>
	142,000	127,000
	<hr/>	<hr/>

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses was £44,000 (2013 - £1,000).

The company expects to contribute £18,000 to its defined contribution pension scheme. in 2015.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2014	2013
Cash	100.00 %	100.00 %

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2014	2013
Discount rate at 31 December	3.40 %	4.40 %
Expected return on scheme assets at 31 December	2.60 %	2.60 %
Mortality	S2PMA & S2PFA	S2PMA & S2PFA

Notes to the financial statements

For the year ended 31 December 2014

21. Pension commitments (continued)

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2014 £	2013 £	2012 £	2011 £	2010 £
Defined benefit obligation	(297,000)	(249,000)	(259,000)	(242,000)	(221,000)
Scheme assets	142,000	127,000	119,000	114,000	148,000
Deficit	(155,000)	(122,000)	(140,000)	(128,000)	(73,000)
Experience adjustments on scheme liabilities	-	4,000	(13,000)	(55,000)	(17,000)
Experience adjustments on scheme assets	(6,000)	(3,000)	(2,000)	(5,000)	(2,000)

22. Operating lease commitments

At 31 December 2014 the company had annual commitments under non-cancelable operating leases as follows:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Expiry date:				
Within 1 year	-	-	8,564	2,710
Between 2 and 5 years	-	-	5,553	14,118

23. Related party transactions

Couristan Carpets (Irl) Limited is the immediate parent undertaking of the company. Couristan Inc. and Couristan Carpets (Irl) Limited are subject to common control and are therefore considered to be related parties of the company.

During the year ended 31 December 2014, the company was charged £4,988 (2013: £nil) for costs incurred by Couristan Carpets (Irl) Limited. At 31 December 2014 £127,310 (2013: £101) was owed to Couristan Carpets (Irl) Limited.

During the year ended 31 December 2014, the company charged Couristan Inc £8,738,548 (2013: £8,910,806) for goods and services provided. At 31 December 2014 £430,560 (2013: £844,577) was due from Couristan Inc.

Notes to the financial statements

For the year ended 31 December 2014

24. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Couristan Carpets (Irl) Limited, a company registered in the Republic of Ireland.

The parent undertakings of the smallest and largest groups of which the company is a member and for which group financial statements are prepared are as follows:

The largest group is Couristan (NY) Limited, a company registered in the state of New York, USA.

The smallest group is Couristan (Irl) Limited, a company registered in the Republic of Ireland.

The ultimate controlling party is Couristan (NY) Limited.