

Company Registration No. 09045602 (England and Wales)

**THE BED FACTORY (LEAMINGTON) LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2021**  
**PAGES FOR FILING WITH REGISTRAR**

# THE BED FACTORY (LEAMINGTON) LIMITED

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# THE BED FACTORY (LEAMINGTON) LIMITED

## BALANCE SHEET

AS AT 31 MAY 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	3		18,801		44,458
<b>Current assets</b>					
Stocks		36,196		50,592	
Debtors	4	103,905		86,414	
Cash at bank and in hand		70,350		1,890	
		<u>210,451</u>		<u>138,896</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(190,186)</u>		<u>(128,005)</u>	
<b>Net current assets</b>			20,265		10,891
<b>Total assets less current liabilities</b>			<u>39,066</u>		<u>55,349</u>
<b>Creditors: amounts falling due after more than one year</b>	6		(34,718)		(46,067)
<b>Provisions for liabilities</b>			<u>(3,572)</u>		<u>(8,400)</u>
<b>Net assets</b>			<u>776</u>		<u>882</u>
<b>Capital and reserves</b>					
Called up share capital	7		400		400
Profit and loss reserves			376		482
<b>Total equity</b>			<u>776</u>		<u>882</u>

The directors 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 May 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 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 BED FACTORY (LEAMINGTON) LIMITED**

## **BALANCE SHEET (CONTINUED)**

***AS AT 31 MAY 2021***

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The financial statements were approved by the board of directors and authorised for issue on 25 February 2022 and are signed on its behalf by:

A Baker  
**Director**

**Company Registration No. 09045602**

# THE BED FACTORY (LEAMINGTON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

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### 1 Accounting policies

#### Company information

The Bed Factory (Leamington) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3 Coventry Innovation Village, Cheetah Road, Coventry, CV1 2TL.

#### 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. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have assessed the company's situation regarding the COVID-19 pandemic and the likely impact on the company. The directors have a reasonable expectation that the company has adequate resources and working capital to continue in operational existence for the foreseeable future to deal with the issues arising from the COVID-19 pandemic. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods 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.

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.

#### 1.4 Tangible fixed assets

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

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

Fixtures, fittings and equipment	20% straight line basis
Computer equipment	20% straight line basis
Motor vehicles	25% straight line 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.

# THE BED FACTORY (LEAMINGTON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

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### 1 Accounting policies

(Continued)

#### 1.5 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.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

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.

#### 1.7 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 and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 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.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

#### 1.9 Equity instruments

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

#### 1.10 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.

# THE BED FACTORY (LEAMINGTON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

### 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.

#### **1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

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

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 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 profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

#### **1.14 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

# THE BED FACTORY (LEAMINGTON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	6	7

### 3 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 June 2020	111,275
Additions	991
At 31 May 2021	112,266
<b>Depreciation and impairment</b>	
At 1 June 2020	66,817
Depreciation charged in the year	26,648
At 31 May 2021	93,465
<b>Carrying amount</b>	
At 31 May 2021	18,801
At 31 May 2020	44,458

### 4 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	499	1,930
Other debtors	99,363	82,546
Prepayments and accrued income	4,043	1,938
	103,905	86,414



# THE BED FACTORY (LEAMINGTON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

### 5 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	-	37,808
Obligations under finance leases	11,599	11,611
Trade creditors	63,672	29,459
Corporation tax	17,245	15,854
Other taxation and social security	581	1,880
Other creditors	90,722	25,586
Accruals and deferred income	6,367	5,807
	<u>190,186</u>	<u>128,005</u>

Obligations under finance leases are secured by the lessors' charges over the leased assets. Bank overdrafts are secured by fixed and floating charges over all property or undertaking of the company.

Other creditors includes £87,614 held on behalf of customers. Sales have not yet been recognised pending delivery of furniture to the relevant customers.

### 6 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Obligations under finance leases	<u>34,718</u>	<u>46,067</u>

Obligations under finance leases are secured by the lessors' charges over the leased assets.

### 7 Called up share capital

	2021 £	2020 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100 A Ordinary shares of £1 each	100	100
100 B Ordinary shares of £1 each	100	100
100 C Ordinary shares of £1 each	100	100
100 D Ordinary shares of £1 each	100	100
	<u>400</u>	<u>400</u>

# THE BED FACTORY (LEAMINGTON) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2021

### 8 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2021	2020
£	£
134,833	161,157
<u>134,833</u>	<u>161,157</u>

### 9 Directors' transactions

Description	% Rate	Opening balance £	Amounts advanced £	Interest charged £	Amounts repaid £	Closing balance £
Loan to director	2.25	22,558	45,546	499	(41,593)	27,010
Loan to director	2.25	22,558	45,546	499	(41,593)	27,010
		<u>45,116</u>	<u>91,092</u>	<u>998</u>	<u>(83,186)</u>	<u>54,020</u>

The loans to directors are repayable on demand.

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.