Company Registration No. 06961589 (England and Wales)

SOFAS & STUFF LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

PAGES FOR FILING WITH REGISTRAR

SOFAS & STUFF LIMITED

COMPANY INFORMATION

Directors	A J Cussins	
	B M Cussins	
	J H Cussins	
	D Addison	(Appointed 24 March 2017)
Company number	06961589	
Registered office	The Dairy Tripp Hill Farm Buildings Fittleworth Pulborough West Sussex RH20 1ER	
Accountants	North Accounting Limited 12 Manvers House Pioneer Close Wath Upon Dearne Rotherham S63 7JZ	

SOFAS & STUFF LIMITED

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SOFAS & STUFF LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

		2016		2015	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		601,893		688,933
Investments	4		1,000		1,200
			602,893		690,133
Current assets					
Stocks		802,387		853,168	
Debtors	6	1,674,745		1,356,108	
Cash at bank and in hand		4,256		4,132	
		2,481,388		2,213,408	
Creditors: amounts falling due within one year	7	(2,622,769)		(3,332,453)	
Net current liabilities			(141,381)		(1,119,045)
Total assets less current liabilities			461,512		(428,912)
Capital and reserves					
Called up share capital	8		25,781		883,095
Share premium account			-		11,905
Profit and loss reserves			435,731		(1,323,912)
Total equity			461,512		(428,912)

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 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their 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.

SOFAS & STUFF LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2016

The financial statements were approved by the board of directors and authorised for issue on 8/9/2017 and are signed on its behalf by:

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A J Cussins
Director

Company Registration No. 06961589

1 Accounting policies

Company information

Sofas & Stuff Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Dairy, Tripp Hill Farm Buildings, Fittleworth, Pulborough, West Sussex, RH20 1ER.

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.

These financial statements for the year ended 31 December 2016 are the first financial statements of Sofas & Stuff Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. 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 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.

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 or valuation, net of depreciation and any impairment losses.

1 Accounting policies **(Continued)**

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:

Leasehold improvements	Over remaining term of lease
Website development	20% reducing balance
Fixtures and fittings	25% reducing balance
Computer equipment	25% reducing balance

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.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 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.

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 and cash equivalents

Cash and cash equivalents 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.

1.8 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.

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.

1 Accounting policies **(Continued)**

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.

1.9 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.

1.10 Leases

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 except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 28 (2015 - 29).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2016	506,856	648,913	1,155,769
Additions	9,910	23,828	33,738
At 31 December 2016	516,766	672,741	1,189,507
Depreciation and impairment			
At 1 January 2016	127,985	338,851	466,836
Depreciation charged in the year	49,655	71,123	120,778
At 31 December 2016	177,640	409,974	587,614
Carrying amount			
At 31 December 2016	339,126	262,767	601,893
At 31 December 2015	378,871	310,062	688,933

4 Fixed asset investments

	2016	2015
	£	£
Investments	1,000	1,200

Movements in fixed asset investments

	Shares in group undertakings
	£
Cost or valuation	
At 1 January 2016	1,200
Disposals	(200)
At 31 December 2016	1,000
Carrying amount	
At 31 December 2016	1,000
At 31 December 2015	1,200

5 Subsidiaries

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
Sofa Partners Ltd	The Dairy, Tripp Hill Farm Buildings, Fittleworth RH20 1ER	Sale of household furniture	Ordinary B	100.00
Sofa Partners (Yorkshire) Limited	As above	As above	Ordinary B	100.00
Sofa Partners (Kent) Limited	As above	As above	Ordinary B	100.00
Sofa Partners (Gloucestershire) Ltd	As above	As above	Ordinary A	100.00
Sofa Partners (Lothian) Limited	As above	As Above	Ordinary B	100.00
Sofa Partners (Hertfordshire) Ltd	As above	As above	Ordinary B	100.00
Sofa Partners (Hampshire) Limited	As above	As above	Ordinary B	100.00
Sofa Partners (Redbrick) Ltd	As above	As above	Ordinary B	100.00
Sofa Partners (Lancashire) Limited	As above	As above	Ordinary A and B	100.00

The profit for the financial year of Sofa Partners Limited was £13,850 and the aggregate amount of capital and reserves at the end of the period was £19,007.

The profit for the financial year of Sofa Partners (Yorkshire) Limited was £9,478 and the aggregate amount of capital and reserves at the end of the period was £18,895.

The profit for the financial year of Sofa Partners (Kent) Limited was £4,395 and the aggregate amount of capital and reserves at the end of the period was £19,570.

The loss for the financial year of Sofa Partners (Gloucestershire) Limited was £1,618 and the aggregate amount of capital and reserves at the end of the period was £(15,828).

The loss for the financial year of Sofa Partners (Lothian) Limited was £28,270 and the aggregate amount of capital and reserves at the end of the period was £(121,270).

The profit for the financial year of Sofa Partners (Hertfordshire) Limited was £1,209 and the aggregate amount of capital and reserves at the end of the period was £(31,099).

The loss for the financial year of Sofa Partners (Hampshire) Limited was £11,116 and the aggregate amount of capital and reserves at the end of the period was £(59,668).

The profit for the financial year of Sofa Partners (Redbrick) Limited was £5,483 and the aggregate amount of capital and reserves at the end of the period was £(28,652).

The loss for the financial year of Sofa Partners (Lancashire) Limited was £123,989 and the aggregate amount of capital and reserves at the end of the period was £(282,479).

6 Debtors

Amounts falling due within one year:	**2016 £**	**2015 £**
Amounts due from group undertakings	597,502	495,650
Other debtors	1,077,243	860,458
	1,674,745	1,356,108

7 Creditors: amounts falling due within one year

	2016 £	**2015 £**
Bank loans and overdrafts	177,002	66,854
Trade creditors	1,011,143	1,282,373
Other taxation and social security	56,718	27,287
Other creditors	1,377,906	1,955,939
	2,622,769	3,332,453

8 Called up share capital

	2016 £	**2015 £**
Ordinary share capital		
Issued and fully paid		
Ordinary shares of £1 each of £1 each	-	683,095
2,578,095 Ordinary shares of £0.01 each	25,781	-
	25,781	683,095
Preference share capital		
Issued and fully paid		
A Preference of £1 each	-	200,000

8 Called up share capital (Continued)

Reconciliation of movements during the year:

	Ordinary £1 Number	Ordinary £0.01 Number	Preference Number
At 1 January 2016	683,095	-	200,000
Reduction by converting into penny shares	(683,095)	683,095	-
Issue of new shares	-	1,895,000	-
Cancellation of preference shares	-	-	(200,000)
At 31 December 2016	-	2,578,095	-

On the12 December 2016 the existing 683,095 ordinary shares of £1 each were converted to 683,095 ordinary shares of £0.01 each with the resulting credit to the profit and loss account of £676,264
At the same date the 200,000 A preference shares of £1 were cancelled and extinguished.
On the 13 December 2016 further 1,895,000 ordinary shares of £0.01 were allotted for £1,720,000 by capitalisation of existing loans in the company.
On the 14 December 2016 the share premium in the company was cancelled and the balance of £1,712,955 credited to the profit and loss account.

9 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:

	2016 £	2015 £
	543,794	544,231