

Company Registration No. 05479695 (England and Wales)

**UTOPIA GROUP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

MONDAY



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# UTOPIA GROUP LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr I Hall Mr D Conn
<b>Company number</b>	05479695
<b>Registered office</b>	Utopia House Springvale Avenue Springvale Business Park Bilston West Midlands United Kingdom WV14 0QL
<b>Auditor</b>	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY

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# UTOPIA GROUP LIMITED

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# UTOPIA GROUP LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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The directors present the strategic report for the year ended 31 December 2018.

### **Fair review of the business**

The results for the period and financial position are as shown in the financial statements. The directors consider the performance of the company during the period, the financial position at the end of the period and the prospects for the future to be satisfactory.

### **Principal risks and uncertainties**

The directors have not disclosed the company's financial risk management objectives and policies, nor the company's exposure to price risk, credit risk, liquidity risk and cash flow risk, as given the current status of the company, such information is not considered material for the assessment of the company's assets, liabilities and financial position at the end of the financial period.

### **Key performance indicators**

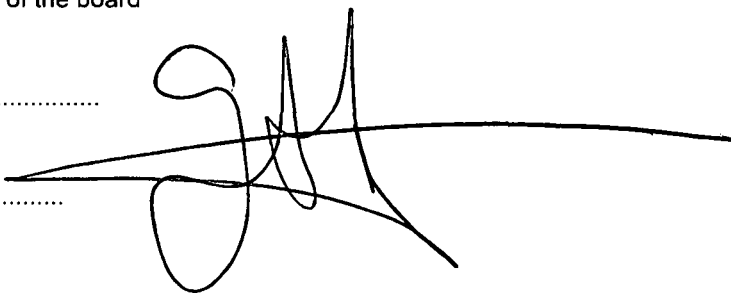
Given the straightforward nature of the business as a holding company, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

On behalf of the board

.....  
Mr I Hall

Director

4/1/19  
.....



# UTOPIA GROUP LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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The directors present their annual report and financial statements for the year ended 31 December 2018.

### **Principal activities**

The principal activity of the company continued to be that of an intermediate holding company.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr I Hall  
Mr D Conn

### **Results and dividends**

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### **Auditor**

The auditor, Ormerod Rutter Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 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 judgements 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.

# UTOPIA GROUP LIMITED

## DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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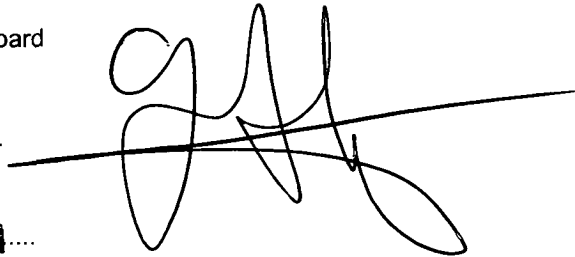
### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

.....  
Mr I Hall  
Director

Date: 4/9/19.....

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

# UTOPIA GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF UTOPIA GROUP LIMITED

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#### Opinion

We have audited the financial statements of Utopia Group Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, 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 FRS 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 2018 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 *Auditor's 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 UK, including the FRC'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 auditor's 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 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

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

# UTOPIA GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF UTOPIA GROUP LIMITED

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### 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 strategic report and the directors' report.

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.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

### Auditor's 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 auditor's 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.



Colm McGrory FCA (Senior Statutory Auditor)  
for and on behalf of Ormerod Rutter Limited

5/9/19.....

Chartered Accountants  
Statutory Auditor

The Oakley  
Kidderminster Road  
Droitwich  
Worcestershire  
WR9 9AY



# UTOPIA GROUP LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

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		2018	2017
	Notes	£	£
Profit before taxation		-	-
Tax on profit	5	-	-
<b>Profit for the financial year</b>		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

# UTOPIA GROUP LIMITED

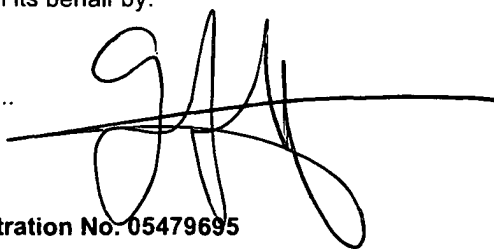
## BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
<b>Current assets</b>					
Debtors	7	4,390,000		4,390,000	
<b>Creditors: amounts falling due within one year</b>	8	<u>(3,335,462)</u>		<u>(3,335,462)</u>	
<b>Net current assets</b>			<u>1,054,538</u>		<u>1,054,538</u>
<b>Capital and reserves</b>					
Called up share capital	10		938,407		938,407
Share premium account	11		236,587		236,587
Profit and loss reserves	12		<u>(120,456)</u>		<u>(120,456)</u>
<b>Total equity</b>			<u>1,054,538</u>		<u>1,054,538</u>

The financial statements were approved by the board of directors and authorised for issue on 4/9/19 and are signed on its behalf by:

.....  
Mr I Hall  
Director



Company Registration No. 05479695

# UTOPIA GROUP LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

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	Share capital £	Share premium account £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2017</b>	938,407	236,587	(120,456)	1,054,538
<b>Year ended 31 December 2017:</b>				
Profit and total comprehensive income for the year	-	-	-	-
<b>Balance at 31 December 2017</b>	<u>938,407</u>	<u>236,587</u>	<u>(120,456)</u>	<u>1,054,538</u>
<b>Year ended 31 December 2018:</b>				
Profit and total comprehensive income for the year	-	-	-	-
<b>Balance at 31 December 2018</b>	<u><u>938,407</u></u>	<u><u>236,587</u></u>	<u><u>(120,456)</u></u>	<u><u>1,054,538</u></u>

# UTOPIA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

#### **Company information**

Utopia Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Utopia House, Utopia House Springvale Avenue, Springvale Business Park, Bilston, West Midlands, WV14 0QL.

#### 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.

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 Going concern

These financial statements have been drawn up on the going concern basis. If the going concern basis were not appropriate, adjustments would have been made to reduce assets to recoverable amounts, to provide for any further liabilities that might arise, and to re-classify fixed assets as current assets and long term liabilities as current liabilities.

These financial statements have been drawn up on the going concern basis. If the going concern basis were not appropriate, adjustments would have been made to reduce assets to recoverable amounts, to provide for any further liabilities that might arise, and to re-classify fixed assets as current assets and long term liabilities as current liabilities.

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

# UTOPIA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

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### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.3 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.

#### ***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.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Operating profit

The auditors remuneration has been borne by an associated group company for both the current and previous period and is not recharged. Information regarding the auditors' total remuneration for auditing the group can be found in the consolidated financial statements of Utopia Bathroom Group Limited.

# UTOPIA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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### 4 Directors' remuneration

2018	2017
£	£
=====	=====

The directors are also directors of Utopia Furniture Limited, another company in the group and their emoluments are included in the financial statements of that company. The remuneration of directors is paid by the related parties and their services to the company are primarily of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to the related parties. The related parties have not charged any amounts to the company in respect of their services in either the current or previous period.

Information regarding the directors' total remuneration for the group can be found in the consolidated financial statements of Utopia Bathroom Group Limited.

### 5 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2018	2017
	£	£
Profit before taxation	-	-
	=====	=====
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	-	-
	=====	=====
Taxation charge in the financial statements	-	-
	=====	=====

# UTOPIA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 6 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Barrhead International Limited	1	Intermediate holding company	Ordinary A shares	100.00	100.00
Barrhead Sanitary Ware Limited	1	Non-trading	Ordinary C shares	100.00	100.00
Barrhead Sanitary Ware Limited	1	Non-trading	Ordinary non-voting shares	-	80.00
Barrhead Sanitary Ware Limited	1	Non-trading	Ordinary voting shares	58.00	100.00
Barrhead Sanitary Ware Limited	1	Non-trading	Redeemable preference shares	-	100.00
Dominion Plumbing Supplies Limited	2	Dormant	Ordinary shares	100.00	100.00
Kidsville Limited	2	Dormant	Ordinary shares	100.00	100.00
Leben Bathrooms Limited	2	Dormant	Ordinary A shares	-	100.00
Leben Bedrooms Limited	2	Dormant	Ordinary A shares	-	100.00
Leben Kitchens Limited	2	Dormant	Ordinary A shares	-	100.00
Utopia Bathrooms Limited	2	Dormant	Ordinary shares	100.00	100.00
Utopia Furniture Group Limited	2	Dormant	Ordinary A shares	100.00	100.00
Utopia Furniture Limited	2	Manufacture of bathroom furniture	Ordinary A shares	100.00	100.00

#### Registered Office addresses:

- 1 Wright, Johnston & Mackenzie LLP, 302 St. Vincent Street, Glasgow, G2 5RZ
- 2 Utopia House, Springvale Avenue, Springvale Business Park, Bilston, West Midlands, WV14 0QL

### 7 Debtors

	2018	2017
Amounts falling due within one year:	£	£
Amounts owed by group undertakings	4,390,000	4,390,000

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

	2018	2017
	£	£
Amounts owed to group undertakings	3,335,462	3,335,462

### 9 Deferred taxation

There were no deferred tax movements in the year.

# UTOPIA GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

### 9 Deferred taxation

(Continued)

Deferred tax is not recognised in respect of tax losses of £1,074 and tax credits of £765 as it is not probable that they will be recovered against the reversal of deferred tax liabilities or future taxable profits.

### 10 Share capital

	2018 £	2017 £
<b>Ordinary share capital Issued and fully paid</b>		
938,407 ordinary shares of £1 each	938,407	938,407

### 11 Share premium account

	2018 £	2017 £
At the beginning and end of the year	236,587	236,587

### 12 Profit and loss reserves

	2018 £	2017 £
At the beginning and end of the year	(120,456)	(120,456)

### 13 Financial commitments, guarantees and contingent liabilities

As a result of the Group refinancing that took place in July 2009, the company guarantees related party loans made by Halcon Properties Limited to the ultimate parent company Utopia Bathroom Group Limited. The balance of these borrowings as at 31st December 2018 amounted to £1,565,796 (2017: £1,517,796)

The company has provided a multi-lateral guarantee over all monies owed by the company and its subsidiaries to HSBC, secured by way of fixed and floating charges over the assets and undertakings of the company. At the year end, Utopia Furniture Limited owed £48,980 (2017: £64,217 ) to HSBC.

### 14 Ultimate parent company

The immediate and ultimate parent undertaking is Utopia Bathroom Group Limited, a company registered in England and Wales, which heads the largest and smallest group to consolidate the financial statements of the company. Copies of the consolidated group financial statements, which include the company, are available from the Company Secretary at Utopia House, Springvale Avenue, Springvale Business Park, Bilston, Wolverhampton WV14 0QL.