

UTOPIA GROUP LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2014



Ormerod Rutter Limited
Statutory Auditor
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

UTOPIA GROUP LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2014

DIRECTORS: Mr D W Conn
Mr I W Hall
Mr M A Oldham

SECRETARY: St Pauls Secretaries Limited

REGISTERED OFFICE: Utopia House
Springvale Avenue
Springvale Business Park
Bilston
Wolverhampton
WV14 0QL

REGISTERED NUMBER: 05479695 (England and Wales)

AUDITORS: Ormerod Rutter Limited
Statutory Auditor
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

**STRATEGIC REPORT
FOR THE YEAR ENDED 30TH JUNE 2014**

The directors present their strategic report for the year ended 30th June 2014.

REVIEW OF BUSINESS

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


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.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have not disclosed the company's financial risk management objectives and policies nor the company's exposure to the 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 year.

ON BEHALF OF THE BOARD:



.....
Mr I W Hall - Director

Date: 10/12/14

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH JUNE 2014**

The directors present their report with the financial statements of the company for the year ended 30th June 2014.

DIVIDENDS

No dividends will be distributed for the year ended 30th June 2014.

FUTURE DEVELOPMENTS

There are no significant anticipated future changes to the operations of the company.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st July 2013 to the date of this report.

Mr I W Hall
Mr M A Oldham

Other changes in directors holding office are as follows:

Mr D W Conn - appointed 1st July 2013
Mr M Bailey - resigned 17th September 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

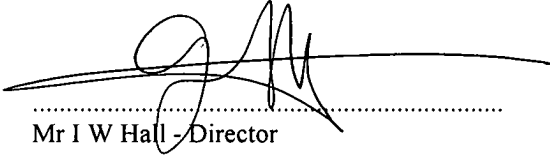
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH JUNE 2014**

AUDITORS

The auditors, Ormerod Rutter Limited, will be proposed for re-appointment in accordance with Section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:



.....
Mr I W Hall - Director

Date: 10/12/14.....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
UTOPIA GROUP LIMITED**

We have audited the financial statements of Utopia Group Limited for the year ended 30th June 2014 on pages six to thirteen. 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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 30th June 2014 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

Colm McGrory FCA (Senior Statutory Auditor)
for and on behalf of Ormerod Rutter Limited
Statutory Auditor
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Date: 10/12/14

UTOPIA GROUP LIMITED (REGISTERED NUMBER: 05479695)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 2014**

	Notes	2014 £	2013 £
TURNOVER		-	-
OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	-	-
Tax on profit on ordinary activities	5	-	-
PROFIT FOR THE FINANCIAL YEAR		-	-

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

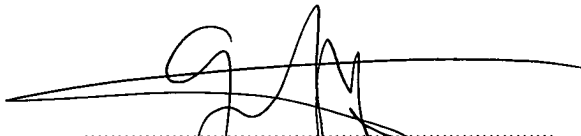
The company has no recognised gains or losses for the current year or previous year.

UTOPIA GROUP LIMITED (REGISTERED NUMBER: 05479695)

**BALANCE SHEET
30TH JUNE 2014**

	Notes	2014 £	2013 £
CURRENT ASSETS			
Debtors	8	4,390,000	4,390,000
Cash at bank		3,455	3,455
		<u>4,393,455</u>	<u>4,393,455</u>
CREDITORS			
Amounts falling due within one year	9	3,338,917	3,338,917
		<u>1,054,538</u>	<u>1,054,538</u>
NET CURRENT ASSETS			
		<u>1,054,538</u>	<u>1,054,538</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u><u>1,054,538</u></u>	<u><u>1,054,538</u></u>
CAPITAL AND RESERVES			
Called up share capital	10	938,407	938,407
Share premium	11	236,587	236,587
Profit and loss account	11	(120,456)	(120,456)
		<u>1,054,538</u>	<u>1,054,538</u>
SHAREHOLDERS' FUNDS			
	14	<u><u>1,054,538</u></u>	<u><u>1,054,538</u></u>

The financial statements were approved by the Board of Directors on10/12/14..... and were signed on its behalf by:


.....
Mr I W Hall - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2014

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The directors have a reasonable expectation that the company has adequate resources to continue in existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Accounting convention

The financial statements have been prepared under the historical cost convention.

The company was dormant throughout the current year and previous year.

Preparation of consolidated financial statements

The financial statements contain information about Utopia Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Utopia Bathroom Group Limited, a company registered in England and Wales.

Financial Reporting Standard number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

Corporation tax and deferred taxation

UK corporation tax is provided at amounts expected to be paid using tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where such transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at an average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is provided in respect of all timing differences which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19 and is measured on a non-discounted basis.

Fixed asset investments

Fixed asset investments are stated at cost less any provision for impairment.

2. STAFF COSTS

There were no staff costs for the year ended 30th June 2014 nor for the year ended 30th June 2013.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2014

3. **DIRECTORS' EMOLUMENTS**

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 the 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 years.

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

4. **OPERATING PROFIT**

The auditors remuneration has been borne by an associated group company for both the current and previous years 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.

5. **TAXATION**

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 30th June 2014 nor for the year ended 30th June 2013.

6. **DEFERRED TAX ASSET**

The unrecognised deferred tax asset as at 30th June 2014 comprise:

	2014 £	2013 £
Accelerated capital allowances	765	880
Taxable losses carried forward	1,074	1,235
	<u>1,839</u>	<u>2,115</u>

Deferred tax assets are not recognised where their recoverability cannot be accurately foreseen in the short term future. Deferred tax assets will not be recognised unless the company starts to made sufficient taxable profits that are is likely to exceed available taxable losses. The movement in the year relates only to a change in corporation tax rate applied.

7. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1st July 2013 and 30th June 2014	<u>3,739,695</u>
PROVISIONS	
At 1st July 2013 and 30th June 2014	<u>3,739,695</u>
NET BOOK VALUE	
At 30th June 2014	<u>-</u>
At 30th June 2013	<u>-</u>

UTOPIA GROUP LIMITED (REGISTERED NUMBER: 05479695)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2014

7. **FIXED ASSET INVESTMENTS - continued**

The company's investments at the balance sheet date in the share capital of companies include the following:

Utopia Furniture Limited

Nature of business: Manufacturer of bathroom furniture

	%		
Class of shares:	holding		
Ordinary A shares	100.00		
		2014	2013
		£	£
Aggregate capital and reserves		7,521,646	6,710,634
Profit/(loss) for the year		810,641	(279,212)
		<u> </u>	<u> </u>

Dominion Plumbing Supplies Limited

Nature of business: Non-trading

	%		
Class of shares:	holding		
Ordinary shares	100.00		
		2014	2013
		£	£
Aggregate capital and reserves		4	4
		<u> </u>	<u> </u>

Utopia Bathrooms Limited

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary shares	100.00		
		2014	2013
		£	£
Aggregate capital and reserves		1	1
		<u> </u>	<u> </u>

Barrhead International Limited

Country of incorporation: Scotland

Nature of business: *Intermediate holding company*

	%		
Class of shares:	holding		
Ordinary A shares	100.00		
Ordinary C shares	100.00		
		2014	2013
		£	£
Aggregate capital and reserves		39	39
		<u> </u>	<u> </u>

UTOPIA GROUP LIMITED (REGISTERED NUMBER: 05479695)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2014**

7. FIXED ASSET INVESTMENTS - continued

Barrhead Sanitary Ware Limited

Nature of business: non-trading company (previously manufacture and sale of sanitary ware)

Class of shares:	% holding
Ordinary voting shares of £1	58.32
Ordinary non-voting shares of £1	-
Redeemable preference shares of £1	-

	2014	2013
	£	£
Aggregate capital and reserves	(830,473)	(806,098)
Profit/(loss) for the year	<u>(24,375)</u>	<u>(24,375)</u>

The preference shareholders can vote on certain matters if their dividend is in arrears or their shares have not been redeemed when due for redemption.

Barrhead International Limited, another subsidiary of Utopia Group Limited, holds a further 41.62% of the ordinary voting shares, 79.99% of the ordinary non-voting shares and 100.00% of the redeemable preference shares.

Kidsville Limited

Nature of business: Dormant

Class of shares:	% holding
Ordinary shares	100.00

	2014	2013
	£	£
Aggregate capital and reserves	<u>1</u>	<u>1</u>

Leben Furniture Limited

Nature of business: Dormant

Class of shares:	% holding
Ordinary A shares	100.00

	2014	2013
	£	£
Aggregate capital and reserves	<u>1</u>	<u>1</u>

Leben Kitchens Limited

Nature of business: Dormant

Class of shares:	% holding
Ordinary A shares	100.00

	2014	2013
	£	£
Aggregate capital and reserves	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2014

7. **FIXED ASSET INVESTMENTS - continued**

Leben Bathrooms Limited

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary A shares	100.00		
		2014	2013
		£	£
Aggregate capital and reserves		<u>1</u>	<u>1</u>

Leben Bedrooms Limited

Nature of business:

	%		
Class of shares:	holding		
Ordinary A shares	100.00		
		2014	2013
		£	£
Aggregate capital and reserves		<u>1</u>	<u>1</u>

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Amounts owed by group undertakings	<u>4,390,000</u>	<u>4,390,000</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Amounts owed to group undertakings	<u>3,338,917</u>	<u>3,338,917</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

10. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014	2013
		£1	£	£
938,407	Ordinary shares		<u>938,407</u>	<u>938,407</u>

11. **RESERVES**

	Profit and loss account	Share premium	Totals
	£	£	£
At 1st July 2013	(120,456)	236,587	116,131
Profit for the year	-	-	-
At 30th June 2014	<u>(120,456)</u>	<u>236,587</u>	<u>116,131</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2014

12. **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.

13. **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 at 30th June 2014 amounted to £3,290,000 (2013: £4,222,000).

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 Ltd owed £506,000 (2013 - £436,000) to HSBC.

14. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2014 £	2013 £
Profit for the financial year	-	-
Opening shareholders' funds	<u>1,054,538</u>	<u>1,054,538</u>
Closing shareholders' funds	<u><u>1,054,538</u></u>	<u><u>1,054,538</u></u>