

# Badgemaster Limited

Registered number: 02730127

## Information for Filing with the Registrar

For the year ended 30 June 2021



**BADGEMASTER LIMITED**  
**REGISTERED NUMBER: 02730127**

**BALANCE SHEET**  
**AS AT 30 JUNE 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	4	117,794	130,043
Tangible assets	5	260,469	316,139
		<u>378,263</u>	<u>446,182</u>
<b>Current assets</b>			
Stocks		481,795	490,747
Debtors: amounts falling due within one year	6	4,548,264	4,113,947
Cash at bank and in hand		587,666	383,450
		<u>5,617,725</u>	<u>4,988,144</u>
Creditors: amounts falling due within one year	7	(923,816)	(816,298)
<b>Net current assets</b>		<u>4,693,909</u>	<u>4,171,846</u>
<b>Total assets less current liabilities</b>		<u>5,072,172</u>	<u>4,618,028</u>
Creditors: amounts falling due after more than one year	8	(332,181)	-
<b>Provisions for liabilities</b>			
Deferred tax	9	(67,107)	(77,984)
<b>Net assets</b>		<u><u>4,672,884</u></u>	<u><u>4,540,044</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Profit and loss account	11	4,672,882	4,540,042
		<u><u>4,672,884</u></u>	<u><u>4,540,044</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

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**BADGEMASTER LIMITED**  
**REGISTERED NUMBER: 02730127**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 30 JUNE 2021**

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

*I P Bradbeer FCMA*

I P Bradbeer FCMA (Nov 11, 2021 17:02 GMT)

**IP Bradbeer**  
Director

Date: Nov 11, 2021

The notes on pages 3 to 13 form part of these financial statements.

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## **BADGEMASTER LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

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#### **1. General information**

Badgemaster Limited, registered number: 09072587, presents its financial statements for the year ended 30 June 2021.

The Company is a private limited company, limited by shares and is registered in England. The address of the registered office is Units 2-8 Hazelford Way, Hazelford Industrial Estate, Newstead, Nottingham, NG15 0DQ.

The principal activity of the Company is that of the design and manufacture of badges.

The financial statements have been presented in Pound Sterling (£) as this is currency of the primary economic environment in which the Company operates and is rounded to the nearest pound.

A summary of the Company's accounting policies, which have been consistently applied, are set out below:

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

##### **2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Badgemaster Group Limited as at 30 June 2021 and these financial statements may be obtained from Companies House.

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**BADGEMASTER LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**2. Accounting policies (continued)****2.3 Going concern**

The Directors, along with the Company's senior management team, have continually monitored to assess the impact of Covid-19 on all areas of the business. This includes ongoing discussions with all of the business's internal and external key stakeholders. As part of this process, the Directors have been assessing trading levels throughout this financial year and over the foreseeable future evaluating the availability of both financial and non-financial resources to ensure the Company continues to trade with minimal disruption and with the ongoing support of the ultimate controlling party.

Throughout this financial year, the business has received financial support from the UK Government (Job Retention Scheme – Furlough), HMRC (Deferred PAYE and VAT payments), the property landlords, its external stakeholders (Capital and Interest Repayment Holidays, CBILS Loan) and its employees. The Directors are pleased to have received this support to help successfully navigate the negative economic consequences of the Covid-19 pandemic. Unfortunately a significant number of employee redundancies were necessary during the year and significant reductions in costs have been realised. The business has seen trading levels in the last quarter of the year return to more normal levels and the Directors are confident that trading levels and profitability are looking likely to return to pre-Covid levels by the end of the first quarter of the next financial year. Accordingly, the Directors have continued to prepare the financial statements on the going concern basis.

**2.4 Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**2. Accounting policies (continued)**

**2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2.6 Operating leases**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

**2.7 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

**2.8 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.9 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

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**BADGEMASTER LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)****2.10 Pensions****Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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**BADGEMASTER LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**2. Accounting policies (continued)****2.12 Intangible assets****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the profit and loss account over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Website developments	-	5	years
Consideration	-	10	years

**2.13 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as set out below.

Depreciation is provided on the following basis:

Leasehold property	-	10% straight line
improvements		
Plant & machinery	-	15% reducing balance and 10% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**2. Accounting policies (continued)****2.14 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.15 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.16 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.17 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at transaction value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.18 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

**2.19 Dividends**

Equity dividends are recognised when they become legally payable. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Employees**

The average monthly number of employees, including Directors, during the year was 80 (2020 - 108).

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**BADGEMASTER LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**4. Intangible assets**

	<b>Website Development £</b>	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 July 2020	125,661	50,000	175,661
Additions	18,052	-	18,052
At 30 June 2021	<u>143,713</u>	<u>50,000</u>	<u>193,713</u>
<b>Amortisation</b>			
At 1 July 2020	40,619	4,999	45,618
Charge for the year	25,301	5,000	30,301
At 30 June 2021	<u>65,920</u>	<u>9,999</u>	<u>75,919</u>
<b>Net book value</b>			
At 30 June 2021	<u>77,793</u>	<u>40,001</u>	<u>117,794</u>
At 30 June 2020	<u>85,042</u>	<u>45,001</u>	<u>130,043</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Tangible fixed assets**

	Leasehold property improvements £	Plant & machinery £	Total £
<b>Cost</b>			
At 1 July 2020	8,300	937,326	945,626
Additions	-	22,272	22,272
Disposals	-	(14,617)	(14,617)
At 30 June 2021	8,300	944,981	953,281
<b>Depreciation</b>			
At 1 July 2020	8,300	621,187	629,487
Charge for the year	-	68,365	68,365
Disposals	-	(5,040)	(5,040)
At 30 June 2021	8,300	684,512	692,812
<b>Net book value</b>			
At 30 June 2021	-	260,469	260,469
At 30 June 2020	-	316,139	316,139

**6. Debtors**

	2021 £	2020 £
Trade debtors	522,226	313,800
Amounts owed by parent undertaking	3,865,883	3,597,046
Other debtors	57,807	49,922
Prepayments and accrued income	102,348	153,179
	4,548,264	4,113,947

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Bank loans	65,515	-
Trade creditors	401,221	269,006
Corporation tax	-	19,746
Other taxation and social security	221,529	309,127
Other creditors	28,360	25,633
Accruals and deferred income	207,191	192,786
	<u>923,816</u>	<u>816,298</u>

The following liabilities were secured:

	2021 £	2020 £
Bank loans	65,515	-
	<u>65,515</u>	<u>-</u>

Details of security provided:

The bank loan is secured by debenture and unlimited guarantee.

**8. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Bank loans	332,181	-
	<u>332,181</u>	<u>-</u>

**Secured loans**

The bank loan is secured by debenture and unlimited guarantee.




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**BADGEMASTER LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Deferred taxation**

	2021 £	2020 £
At beginning of year	(77,984)	(51,927)
Charged to profit or loss	10,877	(26,057)
<b>At end of year</b>	<b>(67,107)</b>	<b>(77,984)</b>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(67,107)	(77,984)

**10. Share capital**

	2021 £	2020 £
<b>Allotted, called up and fully paid</b>		
2 (2020 - 2) Ordinary shares of £1.00 each	2	2

**11. Reserves**

**Profit & loss account**

The profit and loss account represents the cumulative profits and losses of the Company.

**12. Commitments under operating leases**

At 30 June 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	72,569	78,192
Later than 1 year and not later than 5 years	160,749	286,901
	<b>233,318</b>	<b>365,093</b>

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**BADGEMASTER LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

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**13. Related party transactions**

In accordance with FRS 102 Section 33 "Related Party Disclosures", transactions with fellow group undertakings are not disclosed.

The Company's parent, Badgemaster Group Limited has a £800,000 secured 'K' loan note owed to Corporate Insignia Limited, a Company owned by JF Kent, a Director and shareholder of the Company. The loan note is secured by the way of a debenture dated 8 July 2014, being a fixed and floating charge over the assets of the Group including Badgemaster Limited.

During the year the Company made sales/purchases to/from Corporate Insignia Limited totalling, £48,086 (2020 - £81,451) and £19,129 (2020 - 14,656) respectively. At the year end £11,229 (2020 - £5,402) was owed to the Company from Corporate Insignia Limited.

**14. Ultimate parent undertaking and controlling party**

The ultimate parent undertaking is Stanford Shelf Company No. 2 Limited, a Company incorporated in England, due to its 100% shareholding in the immediate parent undertaking Badgemaster Group Limited. The ultimate controlling party is JF Kent by virtue of his majority shareholding in the ordinary share capital of Stanford Shelf Company No. 2 Limited. Consolidated accounts may be obtained from Companies House.

**15. Auditor's information**

The auditor's report on the financial statements for the year ended 30 June 2021 was unqualified.

The audit report was signed on Nov 11, 2021 by Alistair Wesson (senior statutory auditor) on behalf of Mazars LLP.