COMPANY REGISTRATION NUMBER: 02756572

FABRIC IT LTD

FILLETED FINANCIAL STATEMENTS

31 October 2021

FABRIC IT LTD

FINANCIAL STATEMENTS

Period from 1 March 2021 to 31 October 2021

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FABRIC IT LTD
BALANCE SHEET
31 October 2021

	Note	31 Oct 21 £	28 Feb 21 £
FIXED ASSETS			
Intangible assets	5	33,333	38,000
Tangible assets	6	10,639	12,818
		43,972	50,818
CURRENT ASSETS			
Stocks		6,723	8,015
Debtors	7	741,694	440,909
Cash at bank and in hand		228,336	175,088
		976,753	624,012
CREDITORS: amounts falling due within one year	8	(405,134)	(332,255)
NET CURRENT ASSETS		571,619	291,757
TOTAL ASSETS LESS CURRENT LIABILITIES		615,591	342,575
PROVISIONS		(2,278)	(365)
NET ASSETS		613,313	342,210
CAPITAL AND RESERVES			
Called up share capital		82	82
Capital redemption reserve		66	66
Profit and loss account		613,165	342,062
SHAREHOLDERS FUNDS		613,313	342,210

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

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.

These financial statements were approved by the board of directors and authorised for issue on 16 August 2022 , and are signed on behalf of the board by:

Mr D A Lee

Director

Company registration number: 02756572

FABRIC IT LTD

NOTES TO THE FINANCIAL STATEMENTS

Period from 1 March 2021 to 31 October 2021

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is The Wharf, Abbey Mill Business Park, Lower Eashing, Godalming, England, GU7 2QN. The company's primary trading address is Signal House, Off Hulley Road, Macclesfield SK10 2SF.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents, trademarks and licences - 5 to 15 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 25% straight line

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the period amounted to 24 (2021: 25).

5. INTANGIBLE ASSETS

	Patents, trademarks and licences
	£
Cost	
At 1 March 2021 and 31 October 2021	45,000
Amortisation	
At 1 March 2021	7,000
Charge for the period	4,667
At 31 October 2021	11,667
Carrying amount	
At 31 October 2021	33,333
At 28 February 2021	38,000

6. TANGIBLE ASSETS

	Fixtures and fittings
	£
Cost	
At 1 March 2021	56,176
Additions	3,032
At 31 October 2021	59,208
Depreciation	
At 1 March 2021	43,358
Charge for the period	5,211
At 31 October 2021	48,569
Carrying amount	
At 31 October 2021	10,639
At 28 February 2021	12,818

7. DEBTORS

	31 Oct 21	28 Feb 21
	£	£
Trade debtors	546,549	435,702
Other debtors	195,145	5,207
	741,694	440,909

8. CREDITORS: amounts falling due within one year

	31 Oct 21	28 Feb 21
	£	£
Trade creditors	150,403	113,347
Corporation tax	55,353	63,343
Social security and other taxes	95,968	98,522
Other creditors	103,410	57,043
	405,134	332,255

9. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	31 Oct 21	28 Feb 21
	£	£
Not later than 1 year	22,986	27,908
Later than 1 year and not later than 5 years	66,329	73,314
Later than 5 years	8,000	24,000
	97,315	125,222

10. SUMMARY AUDIT OPINION

The auditor's report for the period dated 17 August 2022 was unqualified .

The senior statutory auditor was Simon Tee , for and on behalf of Kilsby & Williams LLP .

11. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under section 33 of FRS 102 from the requirement to disclose transactions with wholly owned members of the same group.

12. CONTROLLING PARTY

The Company's immediate parent company is Circle IT Solutions Limited. The ultimate parent entity is Arrow Communications Holdings Limited, to which consolidated accounts include this company. The consolidated accounts are available from Companies House. The ultimate controlling party of Arrow Communications Holdings Limited is MML Capital Europe VII Equity I S.A., a company based in Luxembourg. MML Capital Europe VII Equity I S.A is a 100% subsidiary of MML Partnership Capital VII SCSp acting by its general partner MML Partnership Capital VII GP S.a.r.l.