

REGISTERED NUMBER: 02961256 (England and Wales)

Unaudited Financial Statements for the Year Ended 31st December 2016

for

TOUCH OF MAGIC LIMITED

**Contents of the Financial Statements
for the Year Ended 31st December 2016**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4

TOUCH OF MAGIC LIMITED
Company Information
for the Year Ended 31st December 2016

DIRECTOR: R D Winrow

SECRETARY: R D Winrow

REGISTERED OFFICE: 38 Salisbury Road
Worthing
West Sussex
BN11 1RD

REGISTERED NUMBER: 02961256 (England and Wales)

ACCOUNTANTS: MastersFuller
Chartered Certified Accountants
38 Salisbury Road
Worthing
West Sussex
BN11 1RD

TOUCH OF MAGIC LIMITED (REGISTERED NUMBER: 02961256)

Balance Sheet
31st December 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Intangible assets	4		-		-
Tangible assets	5		<u>45,430</u>		<u>40,077</u>
			45,430		40,077
CURRENT ASSETS					
Stocks		10,000		10,000	
Debtors	6	70,227		110,826	
Cash at bank and in hand		<u>16,013</u>		<u>21,138</u>	
		96,240		141,964	
CREDITORS					
Amounts falling due within one year	7	<u>104,017</u>		<u>132,048</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(7,777)</u>		<u>9,916</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			37,653		49,993
CREDITORS					
Amounts falling due after more than one year	8		<u>92,277</u>		<u>101,835</u>
NET LIABILITIES			<u>(54,624)</u>		<u>(51,842)</u>
CAPITAL AND RESERVES					
Called up share capital			747		747
Retained earnings			<u>(55,371)</u>		<u>(52,589)</u>
SHAREHOLDERS' FUNDS			<u>(54,624)</u>		<u>(51,842)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2016 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

Balance Sheet - continued
31st December 2016

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 26th April 2017 and were signed by:

R D Winrow - Director

Notes to the Financial Statements
for the Year Ended 31st December 2016

1. STATUTORY INFORMATION

Touch of Magic Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant & machinery	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment & website	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

However, where the stage of completion is sufficient to give a right to consideration the work in progress is valued at the fair value of this right to consideration.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 12 (2015 - 10) .

Notes to the Financial Statements - continued
for the Year Ended 31st December 2016

4. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1st January 2016
and 31st December 2016

90,469

AMORTISATION

At 1st January 2016
and 31st December 2016

90,469

NET BOOK VALUE

At 31st December 2016

-

At 31st December 2015

-

5. TANGIBLE FIXED ASSETS

	Plant & machinery	Motor vehicles	Computer equipment & website	Totals
	£	£	£	£
COST				
At 1st January 2016	32,199	53,952	26,966	113,117
Additions	2,656	15,130	2,055	19,841
Disposals	-	(16,377)	-	(16,377)
At 31st December 2016	<u>34,855</u>	<u>52,705</u>	<u>29,021</u>	<u>116,581</u>
DEPRECIATION				
At 1st January 2016	13,957	33,456	25,627	73,040
Charge for year	4,518	9,037	932	14,487
Eliminated on disposal	-	(16,376)	-	(16,376)
At 31st December 2016	<u>18,475</u>	<u>26,117</u>	<u>26,559</u>	<u>71,151</u>
NET BOOK VALUE				
At 31st December 2016	<u>16,380</u>	<u>26,588</u>	<u>2,462</u>	<u>45,430</u>
At 31st December 2015	<u>18,242</u>	<u>20,496</u>	<u>1,339</u>	<u>40,077</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2016

5. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant & machinery £	Motor vehicles £	Totals £
COST			
At 1st January 2016	10,500	28,580	39,080
Additions	-	15,130	15,130
At 31st December 2016	<u>10,500</u>	<u>43,710</u>	<u>54,210</u>
DEPRECIATION			
At 1st January 2016	-	8,087	8,087
Charge for year	2,100	9,037	11,137
At 31st December 2016	<u>2,100</u>	<u>17,124</u>	<u>19,224</u>
NET BOOK VALUE			
At 31st December 2016	<u>8,400</u>	<u>26,586</u>	<u>34,986</u>
At 31st December 2015	<u>10,500</u>	<u>20,493</u>	<u>30,993</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	63,331	104,804
Other debtors	6,896	6,022
	<u>70,227</u>	<u>110,826</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans & overdrafts	11,681	11,295
Hire purchase contracts	14,111	6,961
Trade creditors	54,212	76,853
Taxation and social security	10,601	24,479
Other creditors	13,412	12,460
	<u>104,017</u>	<u>132,048</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Bank loans	80,199	91,875
Hire purchase contracts	12,078	9,960
	<u>92,277</u>	<u>101,835</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2016

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued

	2016	2015
	£	£
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 years	<u>28,203</u>	<u>41,600</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2016	2015
	£	£
Bank loans	<u>91,880</u>	<u>103,170</u>

The bank loan is secured by a joint and several guarantee provided by the shareholders, up to an amount of £350,000.

10. RELATED PARTY DISCLOSURES

During the year, total dividends of £3,930 (2015 - £23,321) were paid to the director .

Administrative expenses include £2,360 (2015: £21,100) consultancy fees paid to Ginger Pickles Limited, a company controlled by the wife of R D Winrow.

Garden House Design Limited:

A company in which R D Winrow is a shareholder

	2016	2015
£		
Turnover	40,676	18,624
Trade debtors	9,900	7,800
Other creditors	6,786	7,916

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.