

Kudos Blends Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2019

Kudos Blends Limited

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Kudos Blends Limited

Company Information

Director D E Thompson

Company secretary I M Thompson

Registered office Unit 5
Old Town Station Business Park
Bridgnorth Road
Cleobury Mortimer
DY14 8SY

Accountants Company Requirements Ltd
53 High Street
Cleobury Mortimer
Kidderminster
Worcestershire
DY14 8DQ

Kudos Blends Limited
(Registration number: 03827452)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	1,089,859	721,855
Current assets			
Stocks	<u>5</u>	1,275,122	1,214,847
Debtors	<u>6</u>	1,524,194	1,381,210
Cash at bank and in hand		1,798,188	1,642,994
		4,597,504	4,239,051
Creditors: Amounts falling due within one year	<u>7</u>	(739,539)	(596,285)
Net current assets		3,857,965	3,642,766
Total assets less current liabilities		4,947,824	4,364,621
Provisions for liabilities		(97,695)	(63,238)
Net assets		4,850,129	4,301,383
Capital and reserves			
Called up share capital	<u>8</u>	22,727	22,727
Capital redemption reserve		27,273	27,273
Profit and loss account		4,800,129	4,251,383
Total equity		4,850,129	4,301,383

For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Kudos Blends Limited
(Registration number: 03827452)
Balance Sheet as at 31 December 2019

Approved and authorised by the director on 2 September 2020

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D E Thompson
Director

Kudos Blends Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:

Unit 5
Old Town Station Business Park
Bridgnorth Road
Cleobury Mortimer
DY14 8SY

These financial statements were authorised for issue by the director on 2 September 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

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

Kudos Blends Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Improvements to Property	15 years straight line
Plant and Machinery, Fixtures and Fittings	20% Reducing Balance
Office Equipment	33% Straight Line
Motor Vehicles	20% Reducing Balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the weighted average cost method.

At each reporting date, stocks are assessed for impairment. If stocks are 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.

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Notes to the Financial Statements for the Year Ended 31 December 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 45 (2018 - 42).

Kudos Blends Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £
Cost or valuation				
At 1 January 2019	332,615	220,326	170,307	922,554
Additions	316,102	65,463	120,204	175,552
Disposals	-	(7,232)	(120,785)	(3,403)
At 31 December 2019	648,717	278,557	169,726	1,094,703
Depreciation				
At 1 January 2019	196,711	155,399	69,785	502,052
Charge for the year	26,808	39,021	25,103	118,670
Eliminated on disposal	-	(5,439)	(25,571)	(695)
At 31 December 2019	223,519	188,981	69,317	620,027
Carrying amount				
At 31 December 2019	425,198	89,576	100,409	474,676
At 31 December 2018	135,904	64,927	100,522	420,502
				Total £
Cost or valuation				
At 1 January 2019				1,645,802
Additions				677,321
Disposals				(131,420)
At 31 December 2019				2,191,703
Depreciation				
At 1 January 2019				923,947
Charge for the year				209,602
Eliminated on disposal				(31,705)
At 31 December 2019				1,101,844
Carrying amount				
At 31 December 2019				1,089,859
At 31 December 2018				721,855

Included within the net book value of land and buildings above is £425,198 (2018 - £135,904) in respect of long leasehold land and buildings.

Kudos Blends Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

5 Stocks

	2019 £	2018 £
Finished goods and goods for resale	1,275,122	1,214,847

6 Debtors

	2019 £	2018 £
Trade debtors	1,131,354	1,217,247
Prepayments	135,935	51,997
Other debtors	256,905	111,966
	1,524,194	1,381,210

7 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Trade creditors	623,322	430,210
Taxation and social security	39,002	44,044
Accruals and deferred income	21,001	25,608
Other creditors	56,214	96,423
	739,539	596,285

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary Shares of £1 each	22,727	22,727	22,727	22,727

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £1,003,155 (2018 - £770,718). Commitments relate to capital commitments of £142,774 (2018 - £39,000) and £860,381 (2018 - £731,718) for rent.

Kudos Blends Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

10 Related party transactions

Interest has been charged at the official rate by the Company on the loan to the directors.

Transactions with directors

	At 1 January 2019	Advances to directors	Repayments by director	At 31 December 2019
	£	£	£	£
2019				
D E Thompson				
Advances and credits to director	48,810	196,054	(105,482)	139,382
J Youngman				
Advances and credits to director	-	12	-	12
	At 1 January 2018	Advances to directors	Repayments by director	At 31 December 2018
	£	£	£	£
2018				
D E Thompson				
Advances and credits to director	7,883	177,791	(136,864)	48,810

Cleobury Mortimer

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.