

**KUALO LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022**

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Unaudited Financial Statements
For The Year Ended 31 May 2022

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**Kualo Limited
Accountant's Report
For The Year Ended 31 May 2022**

Report to the directors on the preparation of the unaudited statutory accounts of Kualo Limited For The Year Ended 31 May 2022

To assist you to fulfil your duties under the Companies Act 2006, I have prepared for your approval the accounts of Kualo Limited which comprise the Profit and Loss Account, the Balance Sheet and the related notes, from the company's accounting records and from information and explanations you have given us.

As a practising member of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at
<http://www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html>.

This report is made to the directors of Kualo Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Kualo Limited and state those matters that we have agreed to state to the directors of Kualo Limited, as a body, in this report in accordance with the Association of Chartered Certified Accountants as detailed at
http://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.pdf. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kualo Limited and its directors as a body for our work or for this report.

It is your duty to ensure that Kualo Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit or loss of Kualo Limited. You consider that Kualo Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Kualo Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Signed

28/02/2023

djca Limited
ACCA
154-160 Fleet Street
London
EC4A 2DQ

Kualo Limited
Balance Sheet
As at 31 May 2022

Registered number: 04004280

		2022		2021	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible Assets	3		112,578		47,145
Tangible Assets	4		140,727		116,643
			<u>253,305</u>		<u>163,788</u>
CURRENT ASSETS					
Debtors	5	103,376		127,310	
Cash at bank and in hand		60,900		102,379	
		<u>164,276</u>		<u>229,689</u>	
Creditors: Amounts Falling Due Within One Year	6	(468,796)		(489,997)	
			<u>(304,520)</u>		<u>(260,308)</u>
NET CURRENT ASSETS (LIABILITIES)					
			<u>(51,215)</u>		<u>(96,520)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
Creditors: Amounts Falling Due After More Than One Year	7		(68,656)		(76,610)
			<u>(164,925)</u>		<u>(203,794)</u>
PROVISIONS FOR LIABILITIES					
Deferred Taxation			(45,054)		(30,664)
			<u>(164,925)</u>		<u>(203,794)</u>
NET LIABILITIES					
			<u>(164,925)</u>		<u>(203,794)</u>
CAPITAL AND RESERVES					
Called up share capital	8		100		100
Profit and Loss Account			(165,025)		(203,894)
			<u>(164,925)</u>		<u>(203,794)</u>
SHAREHOLDERS' FUNDS					
			<u>(164,925)</u>		<u>(203,794)</u>

Kualo Limited
Balance Sheet (continued)
As at 31 May 2022

For the year ending 31 May 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr D Luke

Director

27/02/2023

The notes on pages 4 to 7 form part of these financial statements.

Kualo Limited
Notes to the Financial Statements
For The Year Ended 31 May 2022

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.3. Intangible Fixed Assets and Amortisation - Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business in 2007 and the fair value of the separable net assets. It is amortised to profit and loss account over its estimated economic life of twenty years years.

1.4. Intangible Fixed Assets and Amortisation - Other Intangible

IPv4 addresses have been recognised in the accounts at fair value using the revaluation model through profit and loss. Deferred tax has been provided on the revaluation. The revaluation will be carried in equity as non distributable reserves. Fair value is determined by reference to an active market.

Website development costs have been recognised in the accounts at cost and depreciated over its estimated useful life of 5 years.

1.5. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	30% reducing balance
Fixtures & Fittings	20% reducing balance
Computer Equipment	25% reducing balance

1.6. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Kualo Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 May 2022

1.7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

1.8. Government Grant

Government grants are recognised in the profit and loss account in an appropriate manner that matches them with the expenditure towards which they are intended to contribute.

Grants for immediate financial support or to cover costs already incurred are recognised immediately in the profit and loss account. Grants towards general activities of the entity over a specific period are recognised in the profit and loss account over that period.

Grants towards fixed assets are recognised over the expected useful lives of the related assets and are treated as deferred income and released to the profit and loss account over the useful life of the asset concerned.

All grants in the profit and loss account are recognised when all conditions for receipt have been complied with.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 3 (2021: 2)

3. Intangible Assets

	Goodwill	IPv4 Addresses	Website Development Costs	Total
	£	£	£	£
Cost or Valuation				
As at 1 June 2021	8,000	44,745	-	52,745
Additions	-	-	15,600	15,600
Revaluations	-	51,652	-	51,652
As at 31 May 2022	8,000	96,397	15,600	119,997
Amortisation				
As at 1 June 2021	5,600	-	-	5,600
Provided during the period	400	-	1,419	1,819
As at 31 May 2022	6,000	-	1,419	7,419
Net Book Value				
As at 31 May 2022	2,000	96,397	14,181	112,578
As at 1 June 2021	2,400	44,745	-	47,145

Kualo Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 May 2022

4. Tangible Assets

	Plant & Machinery	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£
Cost				
As at 1 June 2021	47,391	5,082	370,271	422,744
Additions	-	1,188	60,087	61,275
As at 31 May 2022	47,391	6,270	430,358	484,019
Depreciation				
As at 1 June 2021	47,150	1,529	257,422	306,101
Provided during the period	73	848	36,270	37,191
As at 31 May 2022	47,223	2,377	293,692	343,292
Net Book Value				
As at 31 May 2022	168	3,893	136,666	140,727
As at 1 June 2021	241	3,553	112,849	116,643

5. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	69,006	67,586
Prepayments and accrued income	14,956	12,739
Other debtors	10,477	14,976
Corporation tax recoverable assets	8,257	31,412
Directors' loan accounts	680	597
	<u>103,376</u>	<u>127,310</u>

6. Creditors: Amounts Falling Due Within One Year

	2022	2021
	£	£
Trade creditors	21,612	25,152
Bank loans and overdrafts	10,000	10,000
Corporation tax	-	37,111
Other taxes and social security	3,121	5,134
VAT	41,381	42,428
Other creditors	62,731	49,802
Accruals and deferred income	329,319	317,951
Directors' loan accounts	632	2,419
	<u>468,796</u>	<u>489,997</u>

Kualo Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 May 2022

7. Creditors: Amounts Falling Due After More Than One Year

	2022	2021
	£	£
Bank loans	30,000	40,000
Accruals and deferred income	38,656	36,610
	<u>68,656</u>	<u>76,610</u>

8. Share Capital

	2022	2021
Allotted, Called up and fully paid	100	100

9. Directors Advances, Credits and Guarantees

Included within Debtors are the following loans to directors:

	As at 1 June 2021	Amounts advanced	Amounts repaid	Amounts written off	As at 31 May 2022
	£	£	£	£	£
Mr Jo Stonehouse	597	680	597	-	680

The above loan is unsecured, interest free and repayable on demand.

10. General Information

Kualo Limited is a private company, limited by shares, incorporated in England & Wales, registered number 04004280 . The registered office is 20-22 Wenlock Road, London, N1 7GU.

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.