

Sarum Colourview Limited
Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2019

Sarum Colourview Limited

Contents

Balance Sheet	<u>1</u> to <u>2</u>
Notes to the Financial Statements	<u>3</u> to <u>11</u>

Sarum Colourview Limited
(Registration number: 04122291)
Balance Sheet as at 31 May 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>5</u>	691,203	800,883
Current assets			
Stocks	<u>6</u>	29,204	28,033
Debtors	<u>7</u>	433,141	506,558
Cash at bank and in hand		95	61
		<u>462,440</u>	<u>534,652</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(731,242)</u>	<u>(865,908)</u>
Net current liabilities		<u>(268,802)</u>	<u>(331,256)</u>
Total assets less current liabilities		422,401	469,627
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(114,075)</u>	<u>(151,994)</u>
Provisions for liabilities		<u>(85,373)</u>	<u>(96,123)</u>
Net assets		<u><u>222,953</u></u>	<u><u>221,510</u></u>
Capital and reserves			
Called up share capital		12,600	12,600
Profit and loss account		<u>210,353</u>	<u>208,910</u>
Total equity		<u><u>222,953</u></u>	<u><u>221,510</u></u>

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

Directors' 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.

The notes on pages 3 to 11 form an integral part of these financial statements.

Sarum Colourview Limited

(Registration number: 04122291)

Balance Sheet as at 31 May 2019

Approved and authorised by the Board on 28 November 2019 and signed on its behalf by:

.....

Mr Charles Atholl Dew-Jones
Director

The notes on pages 3 to 11 form an integral part of these financial statements.

Page 2

Sarum Colourview Limited

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

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 8
The Woodford Centre
Lysander Way
Salisbury
Wiltshire
SP4 6BU
England

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 represents amounts chargeable in respect of the sale of goods and services to customers.

Government grants

Government grants shall be recognised in the profit and loss accounts so as to match them with the expenditure towards which they are intended to contribute. To the extent that the grant is made as a contribution towards the purchase price of a fixed asset the grant is included within deferred income and released to the profit and loss accounts over the term the asset is being depreciated.

Tax

The tax expense for the period comprises current tax payable and deferred tax.

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, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

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.

Sarum Colourview Limited

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

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Asset class	Depreciation method and rate
Plant and machinery	5-50% per annum of cost / over period of lease
Fixtures and fittings	20-50% per annum of cost
Office equipment	10-75% per annum of cost
Motor vehicles	10-33% per annum of cost
Freehold improvements	50% per annum of cost

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation

Amortisation has been computed to write off the cost of intangible fixed assets over their expected useful lives using the following rates:

Asset class	Amortisation method and rate
Straight line over 3 years	Straight line over 3 years

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.

Debtors

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

Stocks

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

Leases

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

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.

Financial instruments

Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Sarum Colourview Limited

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

3 Taxation

	2019 £	2018 £
Corporation tax	29,224	26,235
Deferred tax	(10,751)	(22,939)
	<u>18,473</u>	<u>3,296</u>

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 June 2018	<u>10,000</u>	<u>10,000</u>
At 31 May 2019	<u>10,000</u>	<u>10,000</u>
Amortisation		
At 1 June 2018	<u>10,000</u>	<u>10,000</u>
At 31 May 2019	<u>10,000</u>	<u>10,000</u>
Carrying amount		
At 31 May 2019	<u>-</u>	<u>-</u>

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil (2018 - £ Nil).

Sarum Colourview Limited

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

5 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £	Tot £
Cost or valuation						
At 1 June 2018	92,299	72,517	2,098,825	210,997	45,484	2,
Additions	-	-	-	943	27,788	
At 31 May 2019	92,299	72,517	2,098,825	211,940	73,272	2,
Depreciation						
At 1 June 2018	92,299	47,099	1,372,085	172,516	35,240	1,
Charge for the year	-	2,472	107,015	20,722	8,202	
At 31 May 2019	92,299	49,571	1,479,100	193,238	43,442	1,
Carrying amount						
At 31 May 2019	-	22,946	619,725	18,702	29,830	
At 31 May 2018	-	25,418	726,740	38,481	10,244	

Included within the net book value of land and buildings above is £Nil (2018 - £Nil) in respect of freehold land and buildings.

Sarum Colourview Limited

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

6 Stocks

	2019 £	2018 £
Other inventories	<u>29,204</u>	<u>28,033</u>

7 Debtors

	Note	2019 £	2018 £
Trade debtors		427,057	490,802
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>10</u>	-	7,312
Prepayments		5,984	7,452
Other debtors		<u>100</u>	<u>992</u>
		<u>433,141</u>	<u>506,558</u>

Sarum Colourview Limited

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

8 Creditors

Creditors: amounts falling due within one year

	2019	2018
	£	£
Due within one year		
Loans and borrowings	132,954	311,396
Trade creditors	244,381	254,670
Amounts owed to group undertakings and undertakings in which the company has a participating interest	22,899	-
Taxation and social security	49,119	58,865
Other creditors	<u>281,889</u>	<u>240,977</u>
	<u><u>731,242</u></u>	<u><u>865,908</u></u>

Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Due after one year		
Loans and borrowings	81,171	101,141
Deferred income	<u>32,904</u>	<u>50,853</u>
	<u><u>114,075</u></u>	<u><u>151,994</u></u>

9 Loans and borrowings

	2019	2018
	£	£
Non-current loans and borrowings		
Finance lease liabilities	21,171	41,141
Other borrowings	<u>60,000</u>	<u>60,000</u>
	<u><u>81,171</u></u>	<u><u>101,141</u></u>

Sarum Colourview Limited

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

	2019	2018
	£	£
Current loans and borrowings		
Bank overdrafts	87,517	134,150
Finance lease liabilities	45,437	177,246
	<u>132,954</u>	<u>311,396</u>

10 Related party transactions

Transactions with directors

Summary of transactions with parent

Colourview Holdings Limited

Payments of £72,000 (2018: £1,250) were made by Sarum Colourview Limited on behalf of the parent company and the parent had transactions of -£78,752 (2018: £95,000) with Sarum Colourview Limited. At the balance sheet date the amount due from Colourview Holdings Limited was £164,309(2018: £171,061).

Sarum Colourview Limited

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

Summary of transactions with other related parties

IBA Colourview Limited

Payments of £49,290 (2018: £69,073) were made by Sarum Colourview Limited on behalf of IBA Colourview Limited. IBA Colourview Limited made sales of £445,201 (2018: £417,170), earned commission of £9,897 (2018: £11,529) and incurred costs of £382,349 (2018: £359,626) which were recorded within Sarum Colourview Limited and have been transferred to IBA Colourview Limited via the inter-company account. At the balance sheet date the amount due to IBA Colourview Limited was £187,208 (2018: £163,749).

Loans to related parties

	Parent £
2019	
At start of period	<u>143,061</u>
2018	Parent £
At start of period	236,811
Advanced	1,250
Repaid	<u>(95,000)</u>
At end of period	<u>143,061</u>

11 Parent and ultimate parent undertaking

The company's immediate parent is Colourview Holdings Limited, incorporated in England.

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.