

UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020
FOR
PURPLE LINE LIMITED

PURPLE LINE LIMITED (REGISTERED NUMBER: 04348026)

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

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

PURPLE LINE LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2020

DIRECTOR: J M Harrison

REGISTERED OFFICE: Peninsula Business Centre
Wherstead
Ipswich
Suffolk
IP9 2BB

REGISTERED NUMBER: 04348026 (England and Wales)

ACCOUNTANTS: Walter Wright
Chartered Accountants
89 High Street
Hadleigh
Ipswich
Suffolk
IP7 5EA

BALANCE SHEET
31 JANUARY 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	4		82,291		71,105
Tangible assets	5		<u>694,834</u>		<u>658,653</u>
			777,125		729,758
CURRENT ASSETS					
Stocks		1,763,475		1,580,885	
Debtors	6	1,031,633		824,129	
Cash at bank and in hand		<u>306,383</u>		<u>235,462</u>	
		3,101,491		2,640,476	
CREDITORS					
Amounts falling due within one year	7	<u>551,078</u>		<u>666,451</u>	
NET CURRENT ASSETS			<u>2,550,413</u>		<u>1,974,025</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,327,538		2,703,783
CREDITORS					
Amounts falling due after more than one year	8		(271,734)		(34,082)
PROVISIONS FOR LIABILITIES			(6,000)		-
NET ASSETS			<u>3,049,804</u>		<u>2,669,701</u>
CAPITAL AND RESERVES					
Called up share capital			10,100		10,100
Retained earnings			<u>3,039,704</u>		<u>2,659,601</u>
SHAREHOLDERS' FUNDS			<u>3,049,804</u>		<u>2,669,701</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 January 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2020 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
31 JANUARY 2020

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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 and authorised for issue on 21 July 2020 and were signed by:

J M Harrison - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

1. STATUTORY INFORMATION

Purple Line 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Turnover

Turnover represents the sale of goods, is recognised on dispatch, and disclosed net of discounts, returns and value added tax.

Amortisation of intangible fixed assets

Patents are amortised over 20 years on cost.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Plant and machinery etc - 33% on cost, 25% on reducing balance and 15% on reducing balance

The directors consider that the freehold property is maintained in such a state of repair that its residual value is at least equal to the net book value. As a result the corresponding depreciation would not be material and therefore is not charged in the profit & loss account. The directors perform an annual impairment review to ensure that the recoverable amount is not lower than the carrying value.

Government grants

Grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises expenses for the related costs for which the grants are intended to compensate, which in the case of grants related to assets requires setting up the grant as deferred income and releasing this over the life of the asset.

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2020

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

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 of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 17 (2019 - 18) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2020

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 February 2019	98,906
Additions	20,631
At 31 January 2020	<u>119,537</u>
AMORTISATION	
At 1 February 2019	27,801
Charge for year	9,445
At 31 January 2020	<u>37,246</u>
NET BOOK VALUE	
At 31 January 2020	<u>82,291</u>
At 31 January 2019	<u>71,105</u>

5. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 February 2019	569,582	263,380	832,962
Additions	-	74,719	74,719
Disposals	-	(18,000)	(18,000)
At 31 January 2020	<u>569,582</u>	<u>320,099</u>	<u>889,681</u>
DEPRECIATION			
At 1 February 2019	2,782	171,527	174,309
Charge for year	878	31,464	32,342
Eliminated on disposal	-	(11,804)	(11,804)
At 31 January 2020	<u>3,660</u>	<u>191,187</u>	<u>194,847</u>
NET BOOK VALUE			
At 31 January 2020	<u>565,922</u>	<u>128,912</u>	<u>694,834</u>
At 31 January 2019	<u>566,800</u>	<u>91,853</u>	<u>658,653</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JANUARY 2020

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	858,083	710,423
Other debtors	173,550	113,706
	<u>1,031,633</u>	<u>824,129</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loan	77,000	33,139
Trade creditors	264,336	280,267
Taxation and social security	13,474	15,536
Other creditors	196,268	337,509
	<u>551,078</u>	<u>666,451</u>

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

	2020	2019
	£	£
Bank loan	260,794	-
Other creditors	10,940	34,082
	<u>271,734</u>	<u>34,082</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank loan	<u>337,794</u>	<u>-</u>

The bank loan is secured by a mortgage deed over freehold property at Unit 6 Peninsula Business Centre, Wherstead, Ipswich dated 29/3/19 and there is a Debenture dated 5/5/20 with a floating charge over all the property of the company.

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.