

Company registration number 06894674 (England and Wales)

SIXTEEN3 LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022
PAGES FOR FILING WITH REGISTRAR

SIXTEEN3 LTD

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SIXTEEN3 LTD

BALANCE SHEET

AS AT 31 MAY 2022

		2022	2021
	Notes	£	£
Fixed assets			
Intangible assets	4	97,325	58,671
Tangible assets	5	103,465	90,537
		<u>200,790</u>	<u>149,208</u>
Current assets			
Stocks		326,131	487,691
Debtors	6	694,756	290,344
Cash at bank and in hand		254,861	474,770
		<u>1,275,748</u>	<u>1,252,805</u>
Creditors: amounts falling due within one year	7	<u>(649,176)</u>	<u>(702,484)</u>
Net current assets		<u>626,572</u>	<u>550,321</u>
Total assets less current liabilities		<u>827,362</u>	<u>699,529</u>
Creditors: amounts falling due after more than one year	8	(335,310)	(444,594)
Provisions for liabilities		<u>(25,626)</u>	<u>(9,370)</u>
Net assets		<u>466,426</u>	<u>245,565</u>
Capital and reserves			
Called up share capital		1	1
Share premium account		61,000	-
Profit and loss reserves		405,425	245,564
Total equity		<u>466,426</u>	<u>245,565</u>

SIXTEEN3 LTD

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2022

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

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

The director acknowledges his responsibilities for:

- 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.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved and signed by the director and authorised for issue on 28 February 2023

Mr P Chamberlain
Director

Company Registration No. 06894674

SIXTEEN3 LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2022

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 June 2020	1	-	331,092	331,093
Year ended 31 May 2021:				
Loss and total comprehensive income for the year	-	-	(38,903)	(38,903)
Dividends	-	-	(46,625)	(46,625)
Balance at 31 May 2021	1	-	245,564	245,565
Year ended 31 May 2022:				
Profit and total comprehensive income for the year	-	-	238,793	238,793
Issue of share capital	-	61,000	-	61,000
Dividends	-	-	(78,932)	(78,932)
Balance at 31 May 2022	1	61,000	405,425	466,426

SIXTEEN3 LTD

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Judgements and key sources of estimation uncertainty

2 Accounting policies

Company information

Sixteen3 Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2, Westway 21, Chesford Grange, Woolston, Warrington, Cheshire, WA1 4SZ.

2.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Intangible fixed assets other than goodwill

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	20% on cost
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2.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	20% on cost
Plant and equipment	20% on cost
Fixtures and fittings	20% on cost
Motor vehicles	33.33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

SIXTEEN3 LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

2 Accounting policies

(Continued)

2.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

2.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

2.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

SIXTEEN3 LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

2 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

2.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.12 Leases

SIXTEEN3 LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

2 Accounting policies

(Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	35	26

4 Intangible fixed assets

	Other £
Cost	
At 1 June 2021	64,176
Additions	14,898
Transfers	31,251
At 31 May 2022	110,325
Amortisation and impairment	
At 1 June 2021	5,505
Amortisation charged for the year	7,293
Transfers	202
At 31 May 2022	13,000
Carrying amount	
At 31 May 2022	97,325
At 31 May 2021	58,671

SIXTEEN3 LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 June 2021	43,381	290,073	333,454
Additions	-	54,268	54,268
Disposals	-	(19,050)	(19,050)
Transfers	-	(7,698)	(7,698)
	<u>43,381</u>	<u>317,593</u>	<u>360,974</u>
At 31 May 2022	43,381	317,593	360,974
Depreciation and impairment			
At 1 June 2021	43,381	199,536	242,917
Depreciation charged in the year	-	33,672	33,672
Eliminated in respect of disposals	-	(19,050)	(19,050)
Transfers	-	(30)	(30)
	<u>43,381</u>	<u>214,128</u>	<u>257,509</u>
At 31 May 2022	43,381	214,128	257,509
Carrying amount			
At 31 May 2022	-	103,465	103,465
	<u>-</u>	<u>103,465</u>	<u>103,465</u>
At 31 May 2021	-	90,537	90,537
	<u>-</u>	<u>90,537</u>	<u>90,537</u>

6 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	573,565	136,518
Other debtors	121,191	153,826
	<u>694,756</u>	<u>290,344</u>

7 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	87,001	95,849
Trade creditors	345,251	452,904
Corporation tax	3,310	-
Other taxation and social security	109,249	70,130
Other creditors	104,365	83,601
	<u>649,176</u>	<u>702,484</u>

SIXTEEN3 LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

8 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	253,997	375,912
Other creditors	81,313	68,682
	<u>335,310</u>	<u>444,594</u>

Creditors which fall due after five years are as follows:

	2022	2021
	£	£
Payable by instalments	<u>40,060</u>	<u>57,562</u>

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2022	2021
£	£
<u>24,194</u>	<u>135,472</u>

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.