

Company registration number: 07105402

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022

COTTONCONNECT
LIMITED



MENZIES
BRIGHTER THINKING

COTTONCONNECT LIMITED

COMPANY INFORMATION

Directors

A C Ward
S L Pepper
B Gidoomal
R H Smeele

Registered number

07105402

Registered office

New Kings Beam House
22 Upper Ground
London
SE1 9PD

Independent auditor

Menzies LLP
Chartered Accountants & Statutory Auditor
1st Floor
Midas House
62 Goldsworth Road
Woking
Surrey
GU21 6LQ

COTTONCONNECT LIMITED

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COTTONCONNECT LIMITED

REGISTERED NUMBER:07105402

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

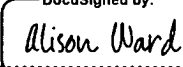
| | Note | 2022 £ | 2021 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible fixed assets | 4 | 5,104 | 3,702 |
| Investments | 5 | 53,600 | 53,600 |
| | | <u>58,704</u> | <u>57,302</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 6 | 351,444 | 570,208 |
| Cash at bank and in hand | | 5,819,601 | 3,602,742 |
| | | <u>6,171,045</u> | <u>4,172,950</u> |
| Creditors: amounts falling due within one year | 7 | (3,209,144) | (2,471,177) |
| Net current assets | | <u>2,961,901</u> | <u>1,701,773</u> |
| Total assets less current liabilities | | <u>3,020,605</u> | <u>1,759,075</u> |
| Net assets | | <u><u>3,020,605</u></u> | <u><u>1,759,075</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 53,600 | 53,600 |
| Profit and loss account | | 2,967,005 | 1,705,475 |
| | | <u><u>3,020,605</u></u> | <u><u>1,759,075</u></u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

f5AD78ACFC7E48B.....
A C Ward
 Director

Date: 03-Oct-2022

The notes on pages 2 to 6 form part of these financial statements.

COTTONCONNECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

CottonConnect Limited is a private company limited by shares, registered in England and Wales. The address of its registered office and principal place of business is disclosed on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

2.3 Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.5 Turnover

Turnover comprises revenue received in relation to consultancy services.

Consultancy services are recognised in the period in which services are provided in accordance with the stage of completion of the contract when the amount of revenue can be measured reliably; it is probable the company will receive the consideration due under the contract; the stage of completion of the contract at the end of the reporting period can be measured reliably; and the costs incurred and the costs to complete the contract can be measured reliably.

Grant income is recognised in the statement of income and retained earnings within other operating income, being realised based on the level of work performed in a year, the costs of which are included within administrative expenses.

COTTONCONNECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.6 Operating leases: the company as lessee

Rentals paid under operating leases are charged to Statement of Income and Retained Earnings on a straight-line basis over the lease term.

2.7 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

2.8 Current taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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 income.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|---------------------|----------------|
| Plant and machinery | - over 3 years |
| Office equipment | - over 3 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

COTTONCONNECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.11 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 6 (2021 - 7).

4. Tangible fixed assets

| | Plant and machinery £ | Office equipment £ | Total £ |
|-------------------------------------|-----------------------------|--------------------------|------------|
| Cost or valuation | | | |
| At 1 April 2021 | 1,451 | 22,097 | 23,548 |
| Additions | - | 4,148 | 4,148 |
| At 31 March 2022 | 1,451 | 26,245 | 27,696 |
| Depreciation | | | |
| At 1 April 2021 | 1,451 | 18,395 | 19,846 |
| Charge for the year on owned assets | - | 2,746 | 2,746 |
| At 31 March 2022 | 1,451 | 21,141 | 22,592 |
| Net book value | | | |
| At 31 March 2022 | - | 5,104 | 5,104 |
| At 31 March 2021 | - | 3,702 | 3,702 |

COTTONCONNECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

5. Fixed asset investments

| | Investments in subsidiary companies £ |
|-----------------------|--|
| At 1 April 2021 | 53,600 |
| Net book value | |
| At 31 March 2022 | 53,600 |
| At 31 March 2021 | 53,600 |

6. Debtors

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Trade debtors | 231,780 | 46,760 |
| Amounts owed by group undertakings | - | 415,056 |
| Other debtors | 83,395 | 28,142 |
| Prepayments and accrued income | 36,269 | 80,250 |
| | 351,444 | 570,208 |

7. Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | 122,280 | 158,323 |
| Amounts owed to group undertakings | 197,458 | - |
| Corporation tax | 273,062 | 285,747 |
| Other taxation and social security | 7,285 | 13,892 |
| Other creditors | 237,655 | 451 |
| Accruals and deferred income | 2,371,404 | 2,012,764 |
| | 3,209,144 | 2,471,177 |

COTTONCONNECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

8. Commitments under operating leases

At 31 March 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | 2022 £ | 2021 £ |
|-----------------------|---------------|---------------|
| Not later than 1 year | 14,868 | 27,142 |
| | <u>14,868</u> | <u>27,142</u> |

9. Auditors' information

The auditors' report on the financial statements for the year ended 31 March 2022 was unqualified.

The audit report was signed on 04-Oct-2022 by Tom Woods ACA (Senior statutory auditor) on behalf of Menzies LLP.