

Registered number:08129703

CHEAT LIMITED
UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

CHEAT LIMITED

CONTENTS

	Page
Statement of Financial Position	1 - 2
Notes to the Financial Statements	3 - 11

CHEAT LIMITED
REGISTERED NUMBER:08129703

STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	21,306	5,565
Tangible assets	5	304,211	361,397
		<u>325,517</u>	<u>366,962</u>
Current assets			
Debtors: amounts falling due within one year	6	306,997	249,897
Cash at bank and in hand		133,247	259,911
		<u>440,244</u>	<u>509,808</u>
Creditors: amounts falling due within one year	7	(288,933)	(265,844)
Net current assets		<u>151,311</u>	<u>243,964</u>
Total assets less current liabilities		<u>476,828</u>	<u>610,926</u>
Creditors: amounts falling due after more than one year	8	(178,525)	(271,487)
Provisions for liabilities			
Deferred tax	11	(31,367)	(35,473)
Net assets		<u><u>266,936</u></u>	<u><u>303,966</u></u>
Capital and reserves			
Called up share capital	12	200	200
Share premium account		34,110	34,110
Profit and loss account		232,626	269,656
		<u><u>266,936</u></u>	<u><u>303,966</u></u>

CHEAT LIMITED
REGISTERED NUMBER:08129703
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JULY 2021

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 comprehensive income 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:

T J Tomkins
Director

Date: 7 March 2022

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

CHEAT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

1. General information

Cheat Limited is a limited liability company incorporated in England and Wales with its registered office at Arthaus Building, 199-205 Richmond Road, London, E8 3NJ.

The principal activity of the company was of post-production picture finishing services.

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 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.3 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Brand development	-	5	years
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2.4 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.

CHEAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

S/Term Leasehold Property	-	straight line over period of lease
Plant and machinery	-	straight line over useful life
Office equipment	-	25% reducing balance

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 the Statement of Comprehensive Income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty.

2.7 Creditors

Short term creditors are measured at the transaction price.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is £ Sterling.

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.

CHEAT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

2. Accounting policies (continued)

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.12 Operating leases: the Company as lessee

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

2.13 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.14 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.

2.15 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.16 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

2. Accounting policies (continued)

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.18 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

3. Employees

The average monthly number of employees, including directors, during the year was 18 (2020 - 15).

CHEAT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

4. Intangible assets

	Brand Development £
Cost	
At 1 August 2020	6,956
Additions	21,415
At 31 July 2021	<u>28,371</u>
Amortisation	
At 1 August 2020	1,391
Charge for the year on owned assets	5,674
At 31 July 2021	<u>7,065</u>
Net book value	
At 31 July 2021	<u><u>21,306</u></u>
At 31 July 2020	<u><u>5,565</u></u>

CHEAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

5. Tangible fixed assets

	S/Term Leasehold Property £	Plant and machinery £	Office equipment £	Total £
Cost or valuation				
At 1 August 2020	89,389	553,277	33,496	676,162
Additions	2,775	52,216	5,074	60,065
At 31 July 2021	<u>92,164</u>	<u>605,493</u>	<u>38,570</u>	<u>736,227</u>
Depreciation				
At 1 August 2020	54,767	242,448	17,550	314,765
Charge for the year on owned assets	26,398	85,989	4,864	117,251
At 31 July 2021	<u>81,165</u>	<u>328,437</u>	<u>22,414</u>	<u>432,016</u>
Net book value				
At 31 July 2021	<u>10,999</u>	<u>277,056</u>	<u>16,156</u>	<u>304,211</u>
At 31 July 2020	<u>34,622</u>	<u>310,829</u>	<u>15,946</u>	<u>361,397</u>

The net book value of land and buildings may be further analysed as follows:

	2021 £	2020 £
Short leasehold	<u>10,999</u>	<u>34,622</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Plant and machinery	<u>139,121</u>	<u>174,695</u>

CHEAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

6. Debtors

	2021 £	2020 £
Trade debtors	169,020	111,927
Amounts owed by group undertakings	2,400	1,200
Other debtors	25,215	31,526
Prepayments and accrued income	110,362	105,244
	<u>306,997</u>	<u>249,897</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other loans	45,924	30,591
Trade creditors	88,203	58,882
Taxation and social security	91,718	73,730
Obligations under finance lease and hire purchase contracts	48,207	78,835
Other creditors	5,531	4,468
Accruals and deferred income	9,350	19,338
	<u>288,933</u>	<u>265,844</u>

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	168,667	216,334
Net obligations under finance leases and hire purchase contracts	9,858	55,153
	<u>178,525</u>	<u>271,487</u>

CHEAT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

9. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Other loans	45,924	30,591
Amounts falling due 1-2 years		
Other loans	168,667	216,334
	<u>214,591</u>	<u>246,925</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	48,470	78,835
Between 1-5 years	9,858	55,153
	<u>58,328</u>	<u>133,988</u>

CHEAT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

11. Deferred taxation

	2021 £
At beginning of year	(35,473)
Charged to profit or loss	4,106
At end of year	<u>(31,367)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	<u>(31,367)</u>	<u>(35,473)</u>

12. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
200 (2020 - 200) Ordinary shares shares of £1 each	<u>200</u>	<u>200</u>

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £12,864 (2020 - £9,167). Contributions totalling £5,221 (2020 - £2,949) were payable to the fund at the reporting date and are included in creditors.

14. Parent company

The company is a wholly owned subsidiary of Swuite Ltd, whose registered office is at 5 Elstree Gate, Elstree Way, Borehamwood, Hertfordshire, WD6 1JD.

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.