

COMPANY REGISTRATION NUMBER: 08144168

RULE13 LIMITED

FILLETED UNAUDITED FINANCIAL STATEMENTS

31 December 2021

RULE13 LIMITED

STATEMENT OF FINANCIAL POSITION

31 December 2021

		2021	2020
	Note	£	£
Fixed assets			
Tangible assets	5	770,385	833,092
Current assets			
Stocks		1,060,149	1,245,610
Debtors	6	946,215	595,470
Cash at bank and in hand		635,029	1,386,934
		2,641,393	3,228,014
Creditors: amounts falling due within one year	7	421,336	899,954
Net current assets		2,220,057	2,328,060
Total assets less current liabilities		2,990,442	3,161,152
Creditors: amounts falling due after more than one year	8	217,949	317,610
Provisions			
Taxation including deferred tax		116,406	121,742
Net assets		2,656,087	2,721,800
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account	10	2,655,987	2,721,700
Shareholders funds		2,656,087	2,721,800

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 December 2021 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

RULE13 LIMITED

STATEMENT OF FINANCIAL POSITION *(continued)*

31 December 2021

These financial statements were approved by the board of directors and authorised for issue on 16 December 2022 , and are signed on behalf of the board by:

P A Webb

Director

Company registration number: 08144168

RULE13 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. General information

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is Unit 1, Fountain Enterprise Park, Enterprise Road, Maidstone, Kent, ME15 6ZQ.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Debtors

Debtors are initially recorded at fair value and are assessed for impairment for each balance sheet date. If any impairments exist the debtors are re-measured to the present value of the expected future cash inflows.

Creditors

Creditors are initially recorded at fair value and are then re-measured to the present value of the expected future cash outflows.

Judgements and key sources of estimation uncertainty

There are no significant estimates or assumptions made that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Revenue recognition

Revenue refers to the revenue earned from the Company's principal activity; the manufacture, sale and distribution of electronic cigarettes and liquids. The revenue shown in the statement of comprehensive income represents amounts invoiced during the year, exclusive of Value Added Tax.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	25% reducing balance
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Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

The government grants received by the company were in relation to the coronavirus job retention scheme. Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 55 (2020: 49).

5. Tangible assets

	Plant and machinery £	Total £
Cost		
At 1 January 2021	1,521,857	1,521,857
Additions	159,865	159,865
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At 31 December 2021	1,681,722	1,681,722
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Depreciation		
At 1 January 2021	688,765	688,765
Charge for the year	222,572	222,572
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At 31 December 2021	911,337	911,337
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Carrying amount		
At 31 December 2021	770,385	770,385
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At 31 December 2020	833,092	833,092
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6. Debtors

	2021 £	2020 £
Trade debtors	580,184	197,429
Other debtors	366,031	398,041
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	946,215	595,470
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7. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	154,825	156,194
Corporation tax	—	267,977
Social security and other taxes	60,289	52,443
Other loans	65,914	59,582
Other creditors	140,308	363,758
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	421,336	899,954
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8. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other loans	160,685	226,598
Other creditors	57,264	91,012
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	217,949	317,610
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9. Called up share capital

Authorised share capital

	2021 No.	£	2020 No.	£
Ordinary shares of £ 1 each	100	100	100	100
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Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 1 each	100	100	100	100
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10. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

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.