

Purpless Ltd
trading as PURPLESS LTD
Annual Report and Unaudited Financial Statements
for the Year Ended 31 August 2021

Purpless Ltd
trading as PURPLESS LTD

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Purpless Ltd
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Company Information

Directors	Mr Arkadiusz Krawiec Mrs Anna Krawiec
Company secretary	Mrs Anna Krawiec
Registered office	Unit 4 Tunstall Trade Park Brownhills Road Stoke On Trent United Kingdom ST6 4SE
Accountants	Accountancy 4 You Ltd Suite 447-448 Houldsworth Street Houldsworth Mill Stockport SK5 6DA

Purpless Ltd
trading as PURPLESS LTD

(Registration number: 08174091)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	481,309	423,791
Current assets			
Stocks	<u>5</u>	517,210	446,768
Debtors	<u>6</u>	3,664	149,682
Cash at bank and in hand		<u>77,754</u>	<u>109,973</u>
		598,628	706,423
Creditors: Amounts falling due within one year	<u>7</u>	<u>(4,834)</u>	<u>(28,650)</u>
Net current assets		<u>593,794</u>	<u>677,773</u>
Total assets less current liabilities		1,075,103	1,101,564
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(240,043)</u>	<u>(325,492)</u>
Net assets		<u>835,060</u>	<u>776,072</u>
Capital and reserves			
Called up share capital	<u>8</u>	100	100
Revaluation reserve		60,833	-
Profit and loss account		<u>774,127</u>	<u>775,972</u>
Shareholders' funds		<u>835,060</u>	<u>776,072</u>

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 20 May 2022 and signed on its behalf by:

Purpless Ltd
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(Registration number: 08174091)
Balance Sheet as at 31 August 2021

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Mrs Anna Krawiec
Company secretary and director

Purpless Ltd
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Notes to the Unaudited Financial Statements for the Year Ended 31 August 2021

1 General information

The company is a private company limited by share capital, incorporated in United Kingdom.

The address of its registered office is:

Unit 4
Tunstall Trade Park
Brownhills Road
Stoke On Trent
United Kingdom
ST6 4SE
United Kingdom

The principal place of business is:

Unit 4
Tunstall Trade Park
Brownhills Road
Stoke On Trent
United Kingdom
ST6 4SE
United Kingdom

These financial statements were authorised for issue by the Board on 20 May 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

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Notes to the Unaudited Financial Statements for the Year Ended 31 August 2021

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	20% reduced balance method
Fixtures and fittings	20% reduced balance method
Plant and machinery	20% reduced balance method

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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Notes to the Unaudited Financial Statements for the Year Ended 31 August 2021

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Unaudited Financial Statements for the Year Ended 31 August 2021

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 3 (2020 - 3).

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Other tangible assets £	Total £
Cost or valuation				
At 1 September 2020	405,550	41,028	2,065	448,643
Revaluations	60,833	-	-	60,833
Additions	-	416	-	416
At 31 August 2021	466,383	41,444	2,065	509,892
Depreciation				
At 1 September 2020	-	23,844	1,008	24,852
Charge for the year	-	3,520	211	3,731
At 31 August 2021	-	27,364	1,219	28,583
Carrying amount				
At 31 August 2021	466,383	14,080	846	481,309
At 31 August 2020	405,550	17,184	1,057	423,791

Included within the net book value of land and buildings above is £466,383 (2020 - £405,550) in respect of freehold land and buildings.

5 Stocks

	2021 £	2020 £
Other inventories	517,210	446,768

6 Debtors

	2021 £	2020 £
Trade debtors	1,223	149,682
Other debtors	2,441	-
	3,664	149,682

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Notes to the Unaudited Financial Statements for the Year Ended 31 August 2021

Details of non-current trade and other debtors

£Nil (2020 -£Nil) of Letter of credit is classified as non current. Letter of credit has been given by the bank to pay for the suppliers manufacturing goods for the company.

7 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	<u>10</u>	22	22
Trade creditors		1,231	2,894
Taxation and social security		3,142	27,718
Accruals and deferred income		-	(2,050)
Other creditors		439	66
		<u>4,834</u>	<u>28,650</u>

Creditors: amounts falling due after more than one year

	Note	2021 £	2020 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>240,043</u>	<u>325,492</u>

8 Share capital

Allotted, called up and fully paid shares

	2021 No.	£	2020 No.	£
Ordinary of £1 each	100	100	100	100

9 Reserves

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	Revaluation reserve £	Total £
Surplus/(deficit) on property, plant and equipment revaluation	<u>60,833</u>	<u>60,833</u>

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Notes to the Unaudited Financial Statements for the Year Ended 31 August 2021

10 Loans and borrowings

	2021	2020
	£	£
Non-current loans and borrowings		
Bank borrowings	110,795	169,406
Other borrowings	129,248	156,086
	<u>240,043</u>	<u>325,492</u>

	2021	2020
	£	£
Current loans and borrowings		
Bank overdrafts	<u>22</u>	<u>22</u>

11 Dividends

Interim dividends paid

	2021	2020
	£	£
Interim dividend of £Nil (2020 - £750) per each Ordinary share	-	75,000
	<u>-</u>	<u>75,000</u>

12 Related party transactions

Directors' remuneration

The directors' remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	<u>25,059</u>	<u>25,000</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.