

Zero Division Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2021

Zero Division Ltd

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Zero Division Ltd

Company Information

Directors	Mr Scott Walker Mr Darrell Bilton
Registered office	71-75 Shelton Street Covent Garden London Greater London WC2H 9JQ
Accountants	Michaelides Warner & Co 102 Fulham Palace Road London W6 9PL

Zero Division Ltd

(Registration number: 08519432)

Balance Sheet as at 31 May 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	4,722	16,251
Current assets			
Stocks	<u>5</u>	127,445	-
Debtors	<u>6</u>	24,847	56,823
Cash at bank and in hand		<u>153,281</u>	<u>142,938</u>
		305,573	199,761
Creditors: Amounts falling due within one year	<u>7</u>	<u>(196,996)</u>	<u>(111,903)</u>
Net current assets		<u>108,577</u>	<u>87,858</u>
Total assets less current liabilities		113,299	104,109
Creditors: Amounts falling due after more than one year	<u>1</u>	(50,000)	-
Provisions for liabilities		<u>(3,088)</u>	<u>(3,088)</u>
Net assets		<u>60,211</u>	<u>101,021</u>
Capital and reserves			
Called up share capital	<u>8</u>	100	100
Profit and loss account		<u>60,111</u>	<u>100,921</u>
Shareholders' funds		<u>60,211</u>	<u>101,021</u>

For the financial year ending 31 May 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 25 August 2021 and signed on its behalf by:

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Mr Scott Walker , Director

Zero Division Ltd

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

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

71-75 Shelton Street
Covent Garden
London
Greater London
WC2H 9JQ
England

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.

Judgements

The directors consider that there are no key judgements that management have made in the process of applying the company's accounting policies and that may have had a significant effect on the amounts recognised in the financial statements.

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.

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.

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021 (continued)

2 Accounting policies (continued)

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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

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

Asset class	Depreciation method and rate
Equipment and machinery	25% straight line

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.

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.

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021 (continued)

2 Accounting policies (continued)

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.

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.

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021 (continued)

2 Accounting policies (continued)

Financial instruments

Classification

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like investments, trade and other receivables, cash and bank balances, trade and other creditors.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or cash consolidation expected to be paid or received.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 3 (2020 - 4).

Zero Division Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021 (continued)

4 Tangible assets

	Equipment and machinery £	Total £
Cost or valuation		
At 1 June 2020	226,086	226,086
Additions	1,422	1,422
At 31 May 2021	227,508	227,508
Depreciation		
At 1 June 2020	209,835	209,835
Charge for the year	12,951	12,951
At 31 May 2021	222,786	222,786
Carrying amount		
At 31 May 2021	4,722	4,722
At 31 May 2020	16,251	16,251

5 Stocks

	2021 £	2020 £
Other inventories	127,445	-

6 Debtors

	2021 £	2020 £
Trade debtors	18,311	55,489
Prepayments	865	935
Other debtors	5,671	399
	24,847	56,823

Zero Division Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021 (continued)

7 Creditors

Creditors: amounts falling due within one year

	2021 £	2020 £
Due within one year		
Trade creditors	6,774	83,456
Taxation and social security	-	17,518
Accruals and deferred income	2,000	2,000
Other creditors	188,222	8,929
	<u>196,996</u>	<u>111,903</u>

8 Share capital

Allotted, called up and fully paid shares

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

9 Related party transactions

Transactions with directors

	At 1 June 2020 £	Other payments made to company by director £	At 31 May 2021 £
2021			
Mr Scott Walker			
Amounts owed to Director	-	93,400	93,400
	<u>-</u>	<u>93,400</u>	<u>93,400</u>
Mr Darrell Bilton			
Amounts owed to Director	-	93,400	93,400
	<u>-</u>	<u>93,400</u>	<u>93,400</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.