

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

FOR

SQUARE ROOT LONDON LIMITED

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FOR THE YEAR ENDED 28 FEBRUARY 2023

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**SQUARE ROOT LONDON LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 28 FEBRUARY 2023**

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**DIRECTORS:**

Ms R Simms  
Mr E Taylor

**REGISTERED OFFICE:**

Square Root Soda Works Unit D11  
Leyton Industrial Village, Argall Avenue  
London  
E10 7QP

**REGISTERED NUMBER:**

08784537 (England and Wales)

**ACCOUNTANTS:**

Sedulo Accountants Limited  
Chartered Certified Accountants  
62-65 Deansgate  
Manchester  
M3 2EN

**BALANCE SHEET**  
**28 FEBRUARY 2023**

	Notes	28.2.23 £	£	28.2.22 £	£
<b>FIXED ASSETS</b>					
Intangible assets	4		98,422		143,144
Tangible assets	5		<u>584,952</u>		<u>638,789</u>
			683,374		781,933
<b>CURRENT ASSETS</b>					
Stocks		176,458		109,078	
Debtors	6	181,038		201,252	
Cash at bank and in hand		<u>893</u>		<u>53,390</u>	
		358,389		363,720	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>944,370</u>		<u>581,596</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(585,981)</u>		<u>(217,876)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			97,393		564,057
<b>CREDITORS</b>					
Amounts falling due after more than one year	8		<u>253,851</u>		<u>157,025</u>
<b>NET (LIABILITIES)/ASSETS</b>			<u>(156,458)</u>		<u>407,032</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			6		6
Share premium			1,950,913		1,760,763
Retained earnings			<u>(2,107,377)</u>		<u>(1,353,737)</u>
			(156,458)		407,032

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**BALANCE SHEET - continued**  
**28 FEBRUARY 2023**

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 29 February 2024 and were signed on its behalf by:

Ms R Simms - Director

Mr E Taylor - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 28 FEBRUARY 2023**

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**1. STATUTORY INFORMATION**

Square Root London Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

**Going concern**

At the time of signing these accounts, having considered the economic climate, the Directors' expectations and intentions for the next twelve months, and the availability of working capital, the Directors are of the opinion that the Company will remain viable for the foreseeable future and therefore these Financial Statements have been prepared on the Going Concern basis.

**Preparation of consolidated financial statements**

The financial statements contain information about Square Root London Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of five years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- Over the life of the lease
Plant and machinery	- at variable rates on reducing balance

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 FEBRUARY 2023

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2. ACCOUNTING POLICIES - continued

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial statements.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which includes debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less, if not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 28 FEBRUARY 2023**

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred. Identifiable expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

**Hire purchase and leasing commitments**

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

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 16 (2022 - 17) .

**4. INTANGIBLE FIXED ASSETS**

	Development costs £
<b>COST</b>	
At 1 March 2022	
and 28 February 2023	<u>223,611</u>
<b>AMORTISATION</b>	
At 1 March 2022	80,467
Amortisation for year	<u>44,722</u>
At 28 February 2023	<u>125,189</u>
<b>NET BOOK VALUE</b>	
At 28 February 2023	<u>98,422</u>
At 28 February 2022	<u>143,144</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 FEBRUARY 2023

## 5. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Totals £
<b>COST</b>			
At 1 March 2022	213,198	736,694	949,892
Additions	-	20,015	20,015
At 28 February 2023	<u>213,198</u>	<u>756,709</u>	<u>969,907</u>
<b>DEPRECIATION</b>			
At 1 March 2022	111,588	199,515	311,103
Charge for year	<u>32,891</u>	<u>40,961</u>	<u>73,852</u>
At 28 February 2023	<u>144,479</u>	<u>240,476</u>	<u>384,955</u>
<b>NET BOOK VALUE</b>			
At 28 February 2023	<u>68,719</u>	<u>516,233</u>	<u>584,952</u>
At 28 February 2022	<u>101,610</u>	<u>537,179</u>	<u>638,789</u>

## 6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.23 £	28.2.22 £
Trade debtors	65,768	121,206
Other debtors	<u>115,270</u>	<u>80,046</u>
	<u>181,038</u>	<u>201,252</u>

## 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.23 £	28.2.22 £
Bank loans and overdrafts	41,107	10,000
Trade creditors	324,056	246,962
Taxation and social security	91,686	59,579
Other creditors	<u>487,521</u>	<u>265,055</u>
	<u>944,370</u>	<u>581,596</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 28 FEBRUARY 2023

## 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	28.2.23	28.2.22
	£	£
Bank loans	13,046	32,500
Amounts owed to group undertakings	2,109	12,721
Other creditors	<u>238,696</u>	<u>111,804</u>
	<u>253,851</u>	<u>157,025</u>

## 9. SECURED DEBTS

The following secured debts are included within creditors:

	28.2.23	28.2.22
	£	£
Other creditors	<u>267,826</u>	<u>199,928</u>

Included within other creditors are amounts totalling £267,826 which are secured by fixed and floating charges over all property of the company.

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.