

**REGISTERED NUMBER: 09750118 (England and Wales)**

**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

**FOR**

**ALPHA CHARLIE LTD**

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FOR THE YEAR ENDED 31 MARCH 2019**

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**ALPHA CHARLIE LTD**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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**DIRECTORS:**

E A P Bodson  
Ms A Chung  
A T W Harris  
P A Weiss  
Dr M A W King  
Dr S W Porter

**SECRETARY:**

D&A Secretarial Services Limited

**REGISTERED OFFICE:**

Unit 12, De Beauvoir Block  
92-96 De Beauvoir Road  
London  
N1 4EN

**REGISTERED NUMBER:**

09750118 (England and Wales)

**ACCOUNTANTS:**

Crowe U.K. LLP  
Riverside House  
40-46 High Street  
Maidstone  
Kent  
ME14 1JH

**BALANCE SHEET**  
**31 MARCH 2019**

|  | Notes | 2019<br>£        | £                  | 2018<br>£        | £                  |
|--|-------|------------------|--------------------|------------------|--------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                    |                  |                    |
| Intangible assets                            | 4     |                  | 29,931             |                  | 55,544             |
| Tangible assets                              | 5     |                  | <u>252,845</u>     |                  | <u>241,896</u>     |
|  |       |                  | 282,776            |                  | 297,440            |
| <b>CURRENT ASSETS</b>                        |       |                  |                    |                  |                    |
| Stocks                                       |       | 667,917          |                    | 118,701          |                    |
| Debtors                                      | 6     | 1,635,450        |                    | 2,053,011        |                    |
| Cash at bank                                 |       | <u>699,132</u>   |                    | <u>279,791</u>   |                    |
|  |       | 3,002,499        |                    | 2,451,503        |                    |
| <b>CREDITORS</b>                             |       |                  |                    |                  |                    |
| Amounts falling due within one year          | 7     | <u>1,757,307</u> |                    | <u>2,250,410</u> |                    |
| <b>NET CURRENT ASSETS</b>                    |       |                  | <u>1,245,192</u>   |                  | <u>201,093</u>     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                  | 1,527,968          |                  | 498,533            |
| <b>CREDITORS</b>                             |       |                  |                    |                  |                    |
| Amounts falling due after more than one year | 8     |                  | <u>63,316</u>      |                  | <u>57,930</u>      |
| <b>NET ASSETS</b>                            |       |                  | <u>1,464,652</u>   |                  | <u>440,603</u>     |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                    |                  |                    |
| Called up share capital                      | 10    |                  | 239                |                  | 177                |
| Share premium                                | 11    |                  | 8,906,758          |                  | 3,979,212          |
| Retained earnings                            | 11    |                  | <u>(7,442,345)</u> |                  | <u>(3,538,786)</u> |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                  | <u>1,464,652</u>   |                  | <u>440,603</u>     |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) 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.
- (b)

**BALANCE SHEET - continued**  
**31 MARCH 2019**

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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 and authorised for issue by the Board of Directors on 28 January 2020 and were signed on its behalf by:

A T W Harris - Director

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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1. **STATUTORY INFORMATION**

Alpha Charlie Ltd 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.

**Principal activity**

The principal activity of the company in the year under review was that of manufacture, wholesale and retail of luxury clothing and apparel.

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.

**Turnover**

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

Income is recognised at the date of dispatch when the risks and rewards of ownership pass to the customer.

**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.

Computer software is being amortised evenly over its estimated useful life of three years.

**Tangible fixed assets**

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

|                       |               |
|-----------------------|---------------|
| Short leasehold       | - 10% on cost |
| Plant and machinery   | - 33% on cost |
| Fixtures and fittings | - 33% on cost |
| Computer equipment    | - 33% on cost |

**Stocks**

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

**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.

**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.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019

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2. ACCOUNTING POLICIES - continued

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**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.

**Going concern**

Accounting standards require the directors to consider the appropriateness of the going concern basis when preparing the financial statements. The directors confirm that they consider that the going concern basis remains appropriate. Since the year end, the directors have prepared a three year plan for the business and the company's shareholders have invested a further £1.6m in the company. Further funding may be required in the coming 12 months and the directors are confident that this will be obtained. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**Debtors**

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

**Creditors**

Short term creditors are measured at the transaction price.

**Cash and Equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known accounts of cash with no significant risk of change in value.

**Financial instruments**

The company only enters into basic financial instrument transactions that result in the recognition of the financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 23 (2018 - 18 ).

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**4. INTANGIBLE FIXED ASSETS**

|                       | <b>Computer<br/>software<br/>£</b> |
|-----------------------|------------------------------------|
| <b>COST</b>           |                                    |
| At 1 April 2018       |                                    |
| and 31 March 2019     | <u>76,839</u>                      |
| <b>AMORTISATION</b>   |                                    |
| At 1 April 2018       | 21,295                             |
| Amortisation for year | <u>25,613</u>                      |
| At 31 March 2019      | <u>46,908</u>                      |
| <b>NET BOOK VALUE</b> |                                    |
| At 31 March 2019      | <u>29,931</u>                      |
| At 31 March 2018      | <u>55,544</u>                      |

**5. TANGIBLE FIXED ASSETS**

|                       | <b>Short<br/>leasehold<br/>£</b> | <b>Plant and<br/>machinery<br/>£</b> | <b>Fixtures<br/>and<br/>fittings<br/>£</b> | <b>Computer<br/>equipment<br/>£</b> | <b>Totals<br/>£</b> |
|-----------------------|----------------------------------|--------------------------------------|--|-------------------------------------|---------------------|
| <b>COST</b>           |                                  |                                      |  |                                     |                     |
| At 1 April 2018       | 185,864                          | 2,269                                | 46,894                                     | 42,405                              | 277,432             |
| Additions             | -                                | 337                                  | 23,746                                     | 53,611                              | 77,694              |
| At 31 March 2019      | <u>185,864</u>                   | <u>2,606</u>                         | <u>70,640</u>                              | <u>96,016</u>                       | <u>355,126</u>      |
| <b>DEPRECIATION</b>   |                                  |                                      |  |                                     |                     |
| At 1 April 2018       | 11,330                           | 719                                  | 11,753                                     | 11,734                              | 35,536              |
| Charge for year       | 18,587                           | 756                                  | 31,268                                     | 16,134                              | 66,745              |
| At 31 March 2019      | <u>29,917</u>                    | <u>1,475</u>                         | <u>43,021</u>                              | <u>27,868</u>                       | <u>102,281</u>      |
| <b>NET BOOK VALUE</b> |                                  |                                      |  |                                     |                     |
| At 31 March 2019      | <u>155,947</u>                   | <u>1,131</u>                         | <u>27,619</u>                              | <u>68,148</u>                       | <u>252,845</u>      |
| At 31 March 2018      | <u>174,534</u>                   | <u>1,550</u>                         | <u>35,141</u>                              | <u>30,671</u>                       | <u>241,896</u>      |

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

|               | <b>2019<br/>£</b> | <b>2018<br/>£</b> |
|---------------|-------------------|-------------------|
| Trade debtors | 1,057,912         | 1,052,400         |
| Other debtors | <u>577,538</u>    | <u>1,000,611</u>  |
|               | <u>1,635,450</u>  | <u>2,053,011</u>  |

Included in other debtors are debtors subject to limited recourse financing of £73,532 (2018: £48,564 in other creditors) in ordinary course of business.



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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

|                              | <b>2019</b>      | <b>2018</b>      |
|------------------------------|------------------|------------------|
|                              | <b>£</b>         | <b>£</b>         |
| Trade creditors              | 343,841          | 466,487          |
| Taxation and social security | 37,422           | 33,256           |
| Other creditors              | 1,376,044        | 1,750,667        |
|                              | <u>1,757,307</u> | <u>2,250,410</u> |

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

|                 | <b>2019</b>   | <b>2018</b>   |
|-----------------|---------------|---------------|
|                 | <b>£</b>      | <b>£</b>      |
| Other creditors | <u>63,316</u> | <u>57,930</u> |

As at 31 March 2019, the balance due on debenture loans included the principal of £45,000 and accrued interest of £18,316. The total balance is repayable in 6 years from the date of the agreement and secured by way of a first floating charge over all of the company's assets and undertakings.

**9. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

|                            | <b>2019</b>    | <b>2018</b>    |
|----------------------------|----------------|----------------|
|                            | <b>£</b>       | <b>£</b>       |
| Between one and five years | <u>160,000</u> | <u>280,000</u> |

**10. CALLED UP SHARE CAPITAL**

**Allotted, issued and fully paid:**  
**Number:**

|            | <b>Class:</b> | <b>Nominal value:</b> | <b>2019</b> | <b>2018</b> |
|------------|---------------|-----------------------|-------------|-------------|
|            |               |                       | <b>£</b>    | <b>£</b>    |
| 7,500,000  | A Ordinary    | £0.00001              | 75          | 75          |
| 13,490,427 | B Ordinary    | £0.00001              | 135         | 94          |
| 750,000    | D Ordinary    | £0.00001              | 8           | 8           |
| 2,122,841  | E Ordinary    | £0.00001              | 21          | -           |
|            |               |                       | <u>239</u>  | <u>177</u>  |

Shares were issued during the year as follows:

Cash at premium

4,068,427 B Ordinary shares valued at £0.00001 per share for £3,427,607

2,122,841 E Ordinary shares valued at £0.00001 per share for £1,500,001

**11. RESERVES**

|                      | <b>Retained earnings</b> | <b>Share premium</b> | <b>Totals</b>    |
|----------------------|--------------------------|----------------------|------------------|
|                      | <b>£</b>                 | <b>£</b>             | <b>£</b>         |
| At 1 April 2018      | (3,538,786)              | 3,979,212            | 440,426          |
| Deficit for the year | (3,903,559)              |                      | (3,903,559)      |
| New share issue      | -                        | 4,927,546            | 4,927,546        |
| At 31 March 2019     | <u>(7,442,345)</u>       | <u>8,906,758</u>     | <u>1,464,413</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2019**

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**12. 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 charged represents contributions payable by the company during the year to the fund and amounted to £11,301 (2018: £735). At the year end date, £4,675 (2018: £Nil) was owed by the company to the fund.

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