

Company Registration No. 09083275 (England and Wales)

UC CLOTHING LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JANUARY 2019

PAGES FOR FILING WITH REGISTRAR

UC CLOTHING LIMITED

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UC CLOTHING LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3		25,517		22,843
Tangible assets	4		92,526		97,963
			<u>118,043</u>		<u>120,806</u>
Current assets					
Stocks		833,599		891,745	
Debtors	5	158,201		202,753	
Cash at bank and in hand		106,109		139,714	
		<u>1,097,909</u>		<u>1,234,212</u>	
Creditors: amounts falling due within one year	6	(918,850)		(1,123,006)	
Net current assets			<u>179,059</u>		<u>111,206</u>
Total assets less current liabilities			<u>297,102</u>		<u>232,012</u>
Provisions for liabilities			(14,657)		(12,747)
Net assets			<u><u>282,445</u></u>		<u><u>219,265</u></u>
Capital and reserves					
Called up share capital	7		20		20
Profit and loss reserves			282,425		219,245
Total equity			<u><u>282,445</u></u>		<u><u>219,265</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 31 January 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

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

UC CLOTHING LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2019

The financial statements were approved by the board of directors and authorised for issue on 16 October 2019 and are signed on its behalf by:

Mr A P Hayton
Director

Mr S J Kitchen
Director

Company Registration No. 09083275

UC CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JANUARY 2019

1 Accounting policies

Company information

UC Clothing Limited is a private company limited by shares incorporated in England and Wales. The registered office is Kendal House, Murley Moss Business Village, Oxenholme Road, Kendal, LA9 7RL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied, net of returns, discounts and rebates allowed by the company and value added taxes.

The company bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The company recognised revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that the future economic benefits will flow to the entity and (e) when specific criteria relating to each of the company's sales channels have been met, as described below:

UC CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JANUARY 2019

1 Accounting policies

(Continued)

(i) Sales of goods - retail and retail ecommerce

The company operates retail shops for the sale of men's clothing and related accessories. Sales of goods are recognised on sale to the customer, which is considered the point of delivery. Retail sales are usually by cash, credit or payment card.

Sales are made to retail customers with the right to return within 28 days, subject to certain conditions regarding the usage. Accumulated experience is used to estimate and provide for such returns at the time of sale.

The company sells goods via its website for delivery to the customer. Revenue is recognised when the risk and rewards of the inventory is passed to the customer. For deliveries to the customer this is the point of acceptance of the goods by the customer. Transactions are settled by credit or payment card.

Provision is made for credit notes based on the expected level of returns which is based on the historical experience of returns.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks & Website	10/33% straight line
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1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Term of the lease
Plant and machinery	20/33% straight line, 15% reducing balance
Computer software	10% straight line

UC CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JANUARY 2019

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

UC CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JANUARY 2019

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

UC CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 JANUARY 2019

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was 16 (2018 - 0).

3 Intangible fixed assets

	Goodwill	Trademarks & Website	Total
	£	£	£
Cost			
At 1 July 2018	4,491	18,352	22,843
Additions	-	4,554	4,554
At 31 January 2019	4,491	22,906	27,397
Amortisation and impairment			
At 1 July 2018	-	-	-
Amortisation charged for the period	-	1,880	1,880
At 31 January 2019	-	1,880	1,880
Carrying amount			
At 31 January 2019	4,491	21,026	25,517
At 30 June 2018	4,491	18,352	22,843

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2018	28,328	98,782	127,110
Additions	-	5,982	5,982
At 31 January 2019	28,328	104,764	133,092
Depreciation and impairment			
At 1 July 2018	2,102	27,045	29,147
Depreciation charged in the period	826	10,593	11,419
At 31 January 2019	2,928	37,638	40,566
Carrying amount			
At 31 January 2019	25,400	67,126	92,526
At 30 June 2018	26,226	71,737	97,963

UC CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 JANUARY 2019

5 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	6,109	18,131
Corporation tax recoverable	61,022	60,513
Other debtors	46,111	48,255
Prepayments and accrued income	44,959	75,854
	<u>158,201</u>	<u>202,753</u>

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	-	44,188
Trade creditors	824,336	898,441
Amounts owed to group undertakings	86	-
Taxation and social security	46,326	70,652
Other creditors	38,506	56,244
Accruals and deferred income	9,596	53,481
	<u>918,850</u>	<u>1,123,006</u>

7 Called up share capital

	2019 £	2018 £
Ordinary share capital Issued and fully paid		
20 Ordinary shares of £1 each	20	20
	<u>20</u>	<u>20</u>

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019 £	2018 £
Within one year	158,221	149,966
Between two and five years	313,874	406,712
	<u>472,095</u>	<u>556,678</u>

UC CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 JANUARY 2019

9 Related party transactions

Transactions with related parties

During the period the company entered into the following transactions with related parties:

	2019	2018
Amounts due to related parties	£	£
Other related parties	160,477	-
	<u> </u>	<u> </u>

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