
UMEGA LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2020

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible fixed assets	4	128,247	149,622
Tangible fixed assets	5	219,573	187,484
		<u>347,820</u>	<u>337,106</u>
Current assets			
Debtors: amounts falling due within one year	6	111,368	134,516
Bank and cash balances		38,453	1,890
		<u>149,821</u>	<u>136,406</u>
Current liabilities			
Creditors: amounts falling due within one year	7	(337,212)	(333,012)
		<u>(187,391)</u>	<u>(196,606)</u>
Net current liabilities			
		<u>160,429</u>	<u>140,500</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	8	(129,521)	(126,414)
Deferred tax	9	(26,504)	(486)
		<u>4,404</u>	<u>13,600</u>
Net assets			
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account	11	4,402	13,598
		<u>4,404</u>	<u>13,600</u>

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A R Whitmey
Director

Date: 26 February 2021

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. General information

Umega Limited is a private company limited by shares and incorporated in Scotland, SC330750. The registered office is 10 Lister Square, Edinburgh, EH3 9GL.

The principal activity of the company during the year under review was the management of real estate and letting agents.

The functional currency of the company is Pounds Sterling as this is the currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have carefully considered the impact of COVID-19 on the business. The directors have applied for government grants and have secured a loan payment holiday. The directors made use of the Coronavirus Job Retention Scheme during the downturn in business. The directors have prepared cashflows for the business covering 12 months from the date of these financial statements. The directors are confident that the measures put in place will enable the business to realise its assets and discharge its liabilities as they fall due.

In the directors opinion these financial statements should be prepared on the going concern basis.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.5 Government grants

The UK government has offered a range of financial support packages to help companies, including government backed financing arrangements, furlough schemes, deferment of VAT payments and, for some sectors, business rates holidays. Of the offered schemes, the company used the furlough scheme and deferral of VAT payments. Income from the furlough scheme will be recognised within 'Other operating income'. They are recognised when the entity has reasonable assurance that they will comply with the conditions attaching the grant, and that the grant will be received.

2.6 Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is being amortised over 10 years on a straight line basis to the Statement of Income and Retained Earnings.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Motor vehicles	-	25%	Reducing balance
Fixtures and fittings	-	20%	Reducing balance
Office equipment	-	33%	Straight line
Leasehold improvements	-	10%	Straight line

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash 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 amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. 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 other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 42 (2019 - 29).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

4. Intangible assets

	Goodwill
	£
Cost	
At 1 April 2019 and 31 March 2020	213,747
Amortisation	
At 1 April 2019	64,125
Charge for the year	21,375
	<hr/>
At 31 March 2020	85,500
	<hr/>
Net book value	
At 31 March 2020	<hr/> <u>128,247</u>
At 31 March 2019	<hr/> <u>149,622</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

5. Tangible fixed assets

	Motor vehicles £	Fixtures and fittings £	Office equipment £	Leasehold improvements £	Total £
Cost					
At 1 April 2019	90,817	99,377	17,665	113,480	321,339
Additions	-	(6,710)	6,796	75,085	75,171
Disposals	(34,394)	-	-	-	(34,394)
At 31 March 2020	56,423	92,667	24,461	188,565	362,116
Depreciation					
At 1 April 2019	42,331	84,405	6,028	1,091	133,855
Charge for the year on owned assets	10,536	1,764	6,598	17,107	36,005
Disposals	(27,317)	-	-	-	(27,317)
At 31 March 2020	25,550	86,169	12,626	18,198	142,543
Net book value					
At 31 March 2020	30,873	6,498	11,835	170,367	219,573
At 31 March 2019	48,486	14,972	11,637	112,389	187,484

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

6. Debtors

	2020	2019
	£	£
Trade debtors	65,670	124,256
Amounts owed by group undertakings (note 14)	26,000	-
Other debtors (notes 13 and 14)	4,191	6,012
Prepayments	15,507	4,248
	<u>111,368</u>	<u>134,516</u>

7. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank overdrafts	49,567	22,666
Trade creditors	71,466	80,111
Other creditors (note 13)	47,689	63,876
Accruals	13,400	8,600
Other taxation and social security	103,260	63,973
Hire purchase contracts (note 8)	44,867	42,161
Corporation tax	6,963	51,625
	<u>337,212</u>	<u>333,012</u>

8. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Hire purchase contracts	129,521	108,320
Other creditors	-	18,094
	<u>129,521</u>	<u>126,414</u>

Secured creditors

The loan included within other creditors is secured by a bond and floating charge over the company's assets.

Hire purchase contracts are secured over the assets to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9. Deferred taxation

	2020 £	2019 £
At beginning of year	486	3,360
Charged to profit or loss	26,018	(2,874)
At end of year	<u>26,504</u>	<u>486</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	<u>26,504</u>	<u>486</u>

10. Share capital

	2020 £	2019 £
Authorised, allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

11. Reserves

Profit and loss account

This reserves represents cumulative profits and losses.

12. Commitments under operating leases

At 31 March 2020 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	115,607	68,283
Later than 1 year and not later than 5 years	258,264	325,305
	<u>373,871</u>	<u>393,588</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

13. Transactions with directors

Included within debtors / (creditors) is an amount of £174 (2019 - (£38)) due from / (to) the director N A McInnes. This amount is unsecured, interest free and has no fixed terms of repayment.

Included within debtors / (creditors) is an amount of £180 (2019 - (£35)) due from / (to) the director A R Whitmey. This amount is unsecured, interest free and has no fixed terms of repayment.

14. Related party transactions

The company has chosen to take advantage of the exemption provided by FRS 102 whereby disclosure of transactions entered into between two or more members of a group need not be disclosed, provided that any subsidiary which is party to the transactions is wholly owned by such a member.

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.