COMPANY REGISTRATION NUMBER: 04215664

Colormagic Limited

Filleted Unaudited Financial Statements

31 March 2017

Colormagic Limited

Financial Statements

Year ended 31 March 2017

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Colormagic Limited

Statement of Financial Position

31 March 2017

	Note	2017		2016	
		£	£	£	£
Fixed assets					
Intangible assets	**6**		–		637
Tangible assets	**7**		33,390		24,146
Investments	**8**		3,375		3,375
			36,765		28,158
Current assets					
Stocks		176,592		151,979	
Debtors	**9**	243,787		276,493	
Cash at bank and in hand		10,026		13,562	
		430,405		442,034	
Creditors: amounts falling due within one year	**10**	362,286		399,736	
Net current assets			68,119		42,298
Total assets less current liabilities			104,884		70,456
Provisions					
Taxation including deferred tax	**11**		6,314		4,386
Net assets			98,570		66,070
Capital and reserves					
Called up share capital	**13**		100		85
Capital redemption reserve			–		15
Profit and loss account			98,470		65,970
Shareholders funds			98,570		66,070

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

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

- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

These financial statements were approved by the board of directors and authorised for issue on 21 December 2017 , and are signed on behalf of the board by:

Mr S Lance

Director

Company registration number: 04215664

Colormagic Limited

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Suite 6 Banters Lane Business Park, Main Road, Great Leighs, Chelmsford, Essex, CM3 1QX.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 17.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents	-	25% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Research and development

Research and development expenditure is written off in the period in which it is incurred.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and Machinery	-	25% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 17 (2016: 17).

5. Tax on profit

Major components of tax expense/(income)

	2017	2016
	£	£
Current tax:		
UK current tax expense/(income)	16,292	(15,038)
Adjustments in respect of prior periods	3,305	–
Total current tax	19,597	(15,038)
Deferred tax:		
Origination and reversal of timing differences	1,928	(1,838)
Tax on profit	21,525	(16,876)

6. Intangible assets

	Patent
	£
Cost	
At 1 April 2016 and 31 March 2017	3,185
Amortisation	
At 1 April 2016	2,548
Charge for the year	637
At 31 March 2017	3,185
Carrying amount	
At 31 March 2017	–
At 31 March 2016	637

7. Tangible assets

	Plant and machinery	Total
	£	£
Cost		
At 1 April 2016	128,917	128,917
Additions	32,292	32,292
Disposals	(35,598)	(35,598)
At 31 March 2017	125,611	125,611
Depreciation		
At 1 April 2016	104,771	104,771
Charge for the year	12,092	12,092
Disposals	(24,642)	(24,642)
At 31 March 2017	92,221	92,221
Carrying amount		
At 31 March 2017	33,390	33,390
At 31 March 2016	24,146	24,146

8. Investments

	Unlisted investments
	£
Cost	
At 1 April 2016 and 31 March 2017	3,375
Impairment	
At 1 April 2016 and 31 March 2017	–
Carrying amount	
At 31 March 2017	3,375
At 31 March 2016	3,375

9. Debtors

	2017	2016
	£	£
Trade debtors	222,035	223,349
Amounts owed by group undertakings	2,161	2,326
Prepayments and accrued income	10,062	3,152
Corporation tax repayable	–	23
Director's loan account	–	38,114
Other debtors	9,529	9,529
	243,787	276,493

The debtors above include the following amounts falling due after more than one year:

	2017	2016
	£	£
Director/ shareholders loan account	–	38,114

Other debtors	–	9,529
	–	47,643

10. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	126,957	123,817
Accruals and deferred income	3,029	4,557
Corporation tax	16,292	–
Social security and other taxes	36,000	56,709
Director loan accounts	990	–
Other creditors	179,018	214,653
	362,286	399,736

Included within other creditors is £163,678 (2016 - £181,327) owed to a factoring company in respect of an invoice discounting facility, which is secured on the company's trade debtors.

11. Provisions

	Deferred tax (note 12)
	£
At 1 April 2016	4,386
Additions	1,928
At 31 March 2017	6,314

12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2017	2016
	£	£
Included in provisions (note 11)	6,314	4,386

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017	2016
	£	£
Accelerated capital allowances	6,314	4,386

13. Called up share capital

Issued, called up and fully paid

	2017		2016	
	No.	**£**	No.	£
Ordinary shares of £ 1 each	100	100	85	85

14. Other financial commitments

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amount to £41,311 (2016: £53,327).

15. Director's advances, credits and guarantees

The directors / shareholders current account due to Mr S Lance amounts to £990 (2016: £38,114 due from Mr S Lance).

16. Related party transactions

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

	Transaction value		**Balance owed by/(owed to)**	
	2017	2016	**2017**	2016
	£	£	£	£
Other related parties	–	–	2,161	2,326

17. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in equity or profit or loss for the year.

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.