COMPANY REGISTRATION NUMBER: 04215664

# Colormagic Ltd

# Filleted Unaudited Financial Statements

## 31 March 2019

# Colormagic Ltd

## Financial Statements

## Year ended 31 March 2019

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# Colormagic Ltd

## Statement of Financial Position

## 31 March 2019

| | Note | 2019 | | 2018 | |
|---|---|---|---|---|---|
| | | £ | £ | £ | £ |
| **Fixed assets** | | | | | |
| Tangible assets | **6** | | 17,464 | | 24,186 |
| Investments | **7** | | 3,375 | | 3,375 |
| | | | 20,839 | | 27,561 |
| **Current assets** | | | | | |
| Stocks | | 191,381 | | 170,278 | |
| Debtors | **8** | 314,541 | | 235,123 | |
| Cash at bank and in hand | | 9,968 | | 12,515 | |
| | | 515,890 | | 417,916 | |
| **Creditors: amounts falling due within one year** | **9** | 436,245 | | 385,374 | |
| **Net current assets** | | | 79,645 | | 32,542 |
| **Total assets less current liabilities** | | | 100,484 | | 60,103 |
| **Provisions** | | | | | |
| Taxation including deferred tax | **10** | | 3,318 | | 4,595 |
| **Net assets** | | | 97,166 | | 55,508 |
| **Capital and reserves** | | | | | |
| Called up share capital | **12** | | 100 | | 100 |
| Profit and loss account | | | 97,066 | | 55,408 |
| **Shareholders funds** | | | 97,166 | | 55,508 |

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 income and retained earnings has not been delivered.

For the year ending 31 March 2019 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 26 September 2019 , and are signed on behalf of the board by:

Mr S Lance

Director

Company registration number: 04215664

# Colormagic Ltd

## Notes to the Financial Statements

## Year ended 31 March 2019

### 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.

#### 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.

**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.

**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**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

**4. Employee numbers**

The average number of persons employed by the company during the year amounted to 12 (2018: 14 ).

**5. Intangible assets**

| | **Patent** |
|---|---|
| | **£** |
| **Cost** | |
| **At 1 April 2018 and 31 March 2019** | 3,185 |
| **Amortisation** | |
| **At 1 April 2018 and 31 March 2019** | 3,185 |
| **Carrying amount** | |
| **At 31 March 2019** | – |
| At 31 March 2018 | – |

## 6. Tangible assets

| | Plant and machinery | Total |
|---|---|---|
| | £ | £ |
| **Cost** | | |
| At 1 April 2018 | 125,525 | 125,525 |
| Additions | 2,767 | 2,767 |
| Disposals | ( 2,760) | ( 2,760) |
| **At 31 March 2019** | 125,532 | 125,532 |
| **Depreciation** | | |
| At 1 April 2018 | 101,339 | 101,339 |
| Charge for the year | 9,488 | 9,488 |
| Disposals | ( 2,759) | ( 2,759) |
| **At 31 March 2019** | 108,068 | 108,068 |
| **Carrying amount** | | |
| **At 31 March 2019** | 17,464 | 17,464 |
| At 31 March 2018 | 24,186 | 24,186 |

## 7. Investments

| | Unlisted investments |
|---|---|
| | £ |
| **Cost** | |
| **At 1 April 2018 and 31 March 2019** | 3,375 |
| **Impairment** | |
| **At 1 April 2018 and 31 March 2019** | – |
| **Carrying amount** | |
| **At 31 March 2019** | 3,375 |
| At 31 March 2018 | 3,375 |

## 8. Debtors

| | 2019 | 2018 |
|---|---|---|
| | £ | £ |
| Trade debtors | 206,544 | 210,743 |
| Amounts owed by group undertakings | 4,683 | 4,410 |
| Prepayments and accrued income | 23,269 | 19,970 |
| Director's loan account | 77,965 | – |
| Other debtors | 2,080 | – |
| | 314,541 | 235,123 |

## 9. Creditors: amounts falling due within one year

| | 2019 | 2018 |
|---|---|---|
| | £ | £ |
| Trade creditors | 148,669 | 155,615 |
| Accruals and deferred income | 5,747 | 5,990 |

| | | |
|---|---|---|
| Corporation tax | 16,831 | 4,784 |
| Social security and other taxes | 69,055 | 42,064 |
| Director loan accounts | – | 11 |
| Other creditors | 195,943 | 176,910 |
| | 436,245 | 385,374 |

Included within other creditors is £165,746 (2018 - £165,739) owed to a factoring company in respect of an invoice discounting facility, which is secured on the company's trade debtors.

**10. Provisions**

| | **Deferred tax (note 11)** |
|---|---|
| | **£** |
| At 1 April 2018 | 4,595 |
| Charge against provision | ( 1,277) |
| **At 31 March 2019** | 3,318 |

**11. Deferred tax**

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

| | **2019** | 2018 |
|---|---|---|
| | **£** | £ |
| Included in provisions (note 10) | 3,318 | 4,595 |

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

| | **2019** | 2018 |
|---|---|---|
| | **£** | £ |
| Accelerated capital allowances | 3,318 | 4,595 |

**12. Called up share capital**

**Issued, called up and fully paid**

| | **2019** | | 2018 | |
|---|---|---|---|---|
| | **No.** | **£** | No. | £ |
| Ordinary shares of £ 1 each | 100 | 100.00 | 100 | 100.00 |

**13. Operating leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | **2019** | 2018 |
|---|---|---|
| | **£** | £ |
| Not later than 1 year | – | 1,709 |

**14. Director's advances, credits and guarantees**

At the year end Mr S Lance owed the company £77,965 (2018 - £11 creditor) which is shown amongst debtors. The maximum amount outstanding during the year was £77,965. Interest of £962 has been charged on this loan.

**15. Related party transactions**

At the year end a related party owed the company £4,683 (2018 - £4,410) which is shown amongst debtors, a company in which the director has a controlling interest.

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.