

COMPANY REGISTRATION NUMBER: 505191

Ioma Clothing Company Limited
Filleted Unaudited Financial Statements
31 December 2019

Ioma Clothing Company Limited

Statement of Financial Position

31 December 2019

		2019	2018
	Note	£	£
Fixed assets			
Intangible assets	5	–	10,000
Tangible assets	6	1,114,129	964,418
Investments	7	123,474	123,474
		<u>1,237,603</u>	<u>1,097,892</u>
Current assets			
Stocks		498,215	624,833
Debtors	8	2,086,862	620,175
Cash at bank and in hand		253,055	304,506
		<u>2,838,132</u>	<u>1,549,514</u>
Creditors: amounts falling due within one year	9	<u>1,108,963</u>	<u>652,343</u>
Net current assets		<u>1,729,169</u>	<u>897,171</u>
Total assets less current liabilities		<u>2,966,772</u>	<u>1,995,063</u>
Creditors: amounts falling due after more than one year	10	666,404	–
Provisions			
Taxation including deferred tax		176,915	146,969
Net assets		<u>2,123,453</u>	<u>1,848,094</u>
Capital and reserves			
Called up share capital		725	725
Revaluation reserve		625,493	522,314
Capital redemption reserve		275	275
Profit and loss account		1,496,960	1,324,780
Shareholders funds		<u>2,123,453</u>	<u>1,848,094</u>

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.

Ioma Clothing Company Limited

Statement of Financial Position *(continued)*

31 December 2019

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 directors acknowledge their 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 11 March 2020 , and are signed on behalf of the board by:

Mr P M Levinson

Director

Mr A Thomas

Director

Mr C Burton

Director

Company registration number: 505191

Ioma Clothing Company Limited

Notes to the Financial Statements

Year ended 31 December 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 Woodend Avenue, Speke, Liverpool, L24 9WF.

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.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Revenue recognition, which is stated net of Value Added Tax, depends on the type of revenue concerned. Rental Income is recognised over the period of the lease. Interest income and expense is recognised on an accruals basis. Turnover represents amounts receivable for goods supplied, stated net of discounts and of Value Added Tax.

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.

Goodwill

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

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:

Goodwill	-	20% straight line
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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.

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:

Freehold	-	2% straight line
Leasehold	-	Over the period of the lease
Plant & Machinery	-	20% reducing balance
Fixtures & Fittings	-	33% reducing balance
Motor Vehicles	-	25% reducing balance

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. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

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.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

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.

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 34 (2018: 32).

5. Intangible assets

	Goodwill £
Cost	
At 1 January 2019	174,453
Additions	—
Disposals of previously acquired businesses	(50,000)
At 31 December 2019	124,453
Amortisation	
At 1 January 2019	164,453
Charge for the year	10,000
Disposals of previously acquired businesses	(50,000)
At 31 December 2019	124,453
Carrying amount	
At 31 December 2019	—
At 31 December 2018	10,000

6. Tangible assets

	Freehold property £	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 Jan 2019	830,000	8,615	374,188	248,796	65,272	1,526,871
Additions	—	—	2,754	1,063	65,233	69,050
Disposals	—	—	—	—	(38,872)	(38,872)
Revaluations	120,000	—	—	—	—	120,000
At 31 Dec 2019	950,000	8,615	376,942	249,859	91,633	1,677,049
Depreciation						
At 1 Jan 2019	13,280	8,615	256,933	238,364	45,261	562,453
Charge for the year	3,800	—	24,002	3,793	12,978	44,573
Disposals	—	—	—	—	(30,826)	(30,826)
Revaluations	(13,280)	—	—	—	—	(13,280)
At 31 Dec 2019	3,800	8,615	280,935	242,157	27,413	562,920
Carrying amount						
At 31 Dec 2019	946,200	—	96,007	7,702	64,220	1,114,129
At 31 Dec 2018	816,720	—	117,255	10,432	20,011	964,418

Tangible assets held at valuation

The property was valued 02 June 2019 by Mr Stuart R Meadowcroft BSc (Hons) MRICS for and on behalf of Mason Owen & Partners Ltd.

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Motor vehicles £
At 31 December 2019	56,592

At 31 December 2018

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7. Investments

	Shares in group undertakings £
Cost	
At 1 January 2019 and 31 December 2019	123,474

Impairment	
At 1 January 2019 and 31 December 2019	—

Carrying amount	
At 31 December 2019	123,474

At 31 December 2018	123,474

The company owns 100% of the issued share capital of Ioma Sunshine Limited (Dormant). The company acquired 100% of the issued share capital of Freemans Industrial Supplies Limited on 27 September 2018.

8. Debtors

	2019 £	2018 £
Trade debtors	743,332	597,101
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,325,981	4,792
Other debtors	17,549	18,282
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	2,086,862	620,175
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9. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	522,164	20,616
Trade creditors	370,071	336,644
Social security and other taxes	172,722	222,963
Other creditors	44,006	72,120
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	1,108,963	652,343
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10. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	635,797	—
Other creditors	30,607	—
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	666,404	—
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11. Directors' advances, credits and guarantees

Included within other creditors is an amount owed to the directors of £1,175 (2018: £1,175). No interest has been charged on the loan which is repayable on demand.

12. Related party transactions

At the year end the company was owed £25,981 (2018: £4,792) by its subsidiary Freemans Industrial Supplies Limited a company that was acquired during the previous year.

13. Controlling party

Ioma Services Group Limited is the ultimate parent company after acquiring the entire share capital on 2 August 2019. A company registered in the United Kingdom.

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.