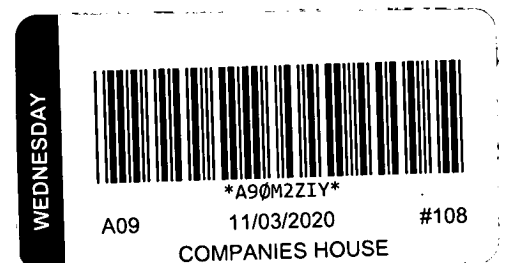


**COMPANY REGISTRATION NUMBER: 01221723**

**Sangson Limited**  
**Filleted Unaudited Financial Statements**  
**30th September 2019**

**JAVED & CO**  
Chartered accountants  
109 Hagley Road  
Birmingham  
B16 8LA



**Sangson Limited**  
**Statement of Financial Position**  
**30th September 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	6	751	884
Investments	7	<u>33,000</u>	<u>33,000</u>
		<b>33,751</b>	<b>33,884</b>
<b>Current assets</b>			
Stocks		747,556	622,265
Debtors	8	1,009,844	151,185
Cash at bank and in hand		<u>25,995</u>	<u>24,163</u>
		<b>1,783,395</b>	<b>797,613</b>
<b>Creditors: amounts falling due within one year</b>	9	<u>1,073,764</u>	<u>319,283</u>
<b>Net current assets</b>		<b>709,631</b>	<b>478,330</b>
<b>Total assets less current liabilities</b>		<b>743,382</b>	<b>512,214</b>
<b>Creditors: amounts falling due after more than one year</b>	10	<b>48,333</b>	<b>—</b>
<b>Provisions</b>			
Taxation including deferred tax		<u>993</u>	<u>—</u>
<b>Net assets</b>		<b><u>696,042</u></b>	<b><u>512,214</u></b>

The statement of financial position  
continues on the following page.  
The notes on pages 3 to 11 form part of these financial statements.

**Sangson Limited**

**Statement of Financial Position** *(continued)*

**30th September 2019**

	Note	2019 £	2018 £
<b>Capital and reserves</b>			
Called up share capital	12	375	375
Capital redemption reserve		125	125
Profit and loss account		<u>695,542</u>	<u>511,714</u>
<b>Shareholders funds</b>		<u><b>696,042</b></u>	<u><b>512,214</b></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 income and retained earnings has not been delivered.

For the year ending 30th September 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 6th March 2020, and are signed on behalf of the board by:



Mr Jetinder Singh Sangha  
Director

Company registration number: 01221723

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

**Sangson Limited**

**Notes to the Financial Statements**

**Year Ended 30th September 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 Sangha House, Unit 1, 5-7 South Road, Hockley, Birmingham, B18 5NA.

**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**

The turnover shown in the Profit and Loss Account represents amounts derived from ordinary activities and is recognised at the point of despatch. The turnover is stated after deduction of trade discounts and is net of Value Added Tax.

## **Sangson Limited**

### **Notes to the Financial Statements** *(continued)*

#### **Year Ended 30th September 2019**

#### **3. Accounting policies** *(continued)*

##### **Income tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

##### **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.

**Sangson Limited**

**Notes to the Financial Statements (continued)**

**Year Ended 30th September 2019**

**3. Accounting policies (continued)**

**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:

Fixtures and fittings                      -    15% reducing balance

**Investments**

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

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

**Investments in associates**

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

**Investments in joint ventures**

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

**3. Accounting policies** *(continued)*

**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 valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

**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.

# Sangson Limited

## Notes to the Financial Statements *(continued)*

Year Ended 30th September 2019

### 3. Accounting policies *(continued)*

#### 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 2 (2018: 2).

### 5. Tax on profit/(loss)

#### Major components of tax income

	2019 £	2018 £
<b>Current tax:</b>		
UK current tax income	–	(8,321)
Adjustments in respect of prior periods	<u>1</u>	<u>–</u>
Total current tax	<u>1</u>	<u>(8,321)</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	<u>(993)</u>	<u>1,190</u>
<b>Tax on profit/(loss)</b>	<u>(992)</u>	<u>(7,131)</u>



# Sangson Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 30th September 2019

#### 5. Tax on profit/(loss) *(continued)*

##### Reconciliation of tax income

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than (2018: higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%).

	2019 £	2018 £
Profit/(loss) on ordinary activities before taxation	<u>182,836</u>	<u>(298,663)</u>
Profit/(loss) on ordinary activities by rate of tax	34,739	(56,746)
Effect of expenses not deductible for tax purposes	88	–
Effect of capital allowances and depreciation	(87)	(109)
Utilisation of tax losses	(34,739)	–
Unused tax losses	–	48,534
Other tax adjustment to increase/(decrease) tax liability	(993)	1,190
Tax on profit/(loss)	<u>(992)</u>	<u>(7,131)</u>

#### 6. Tangible assets

	Fixtures and fittings £	Total £
<b>Cost</b>		
At 1st October 2018 and 30th September 2019	<u>1,448</u>	<u>1,448</u>
<b>Depreciation</b>		
At 1st October 2018	564	564
Charge for the year	133	133
At 30th September 2019	<u>697</u>	<u>697</u>
<b>Carrying amount</b>		
At 30th September 2019	<u>751</u>	<u>751</u>
At 30th September 2018	<u>884</u>	<u>884</u>

**Sangson Limited**

**Notes to the Financial Statements (continued)**

**Year Ended 30th September 2019**

**7. Investments**

	<b>Other investments other than loans £</b>
<b>Cost</b>	
At 1st October 2018 and 30th September 2019	<u><b>33,000</b></u>
<b>Impairment</b>	
At 1st October 2018 and 30th September 2019	<u><b>—</b></u>
<b>Carrying amount</b>	
At 30th September 2019	<u><b>33,000</b></u>
At 30th September 2018	<u><b>33,000</b></u>

The above investments are in respect of City index, the value of this investment represents market value at year end.

**8. Debtors**

	<b>2019 £</b>	<b>2018 £</b>
Trade debtors	<b>989,171</b>	134,072
Other debtors	<b>20,673</b>	17,113
	<u><b>1,009,844</b></u>	<u><b>151,185</b></u>

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

	<b>2019 £</b>	<b>2018 £</b>
Bank loans and overdrafts	<b>309,851</b>	—
Trade creditors	<b>348,128</b>	33,266
Social security and other taxes	<b>47,253</b>	42,941
Directors' loan account	<b>230,236</b>	166,926
Accruals	<b>11,450</b>	6,100
Other creditors	<b>126,846</b>	70,050
	<u><b>1,073,764</b></u>	<u><b>319,283</b></u>

# Sangson Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 30th September 2019

#### 9. Creditors: amounts falling due within one year *(continued)*

The bank overdraft is secured by a fixed and floating charge over the company's assets and a personal guarantee of £40,000 given by Mr Jetinder Singh Sangha, a director of the company.

#### 10. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	<u>48,333</u>	<u>—</u>

#### 11. Deferred tax

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

	2019 £	2018 £
Included in provisions	<u>(993)</u>	<u>—</u>

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

	2019 £	2018 £
Accelerated capital allowances	<u>(993)</u>	<u>—</u>

#### 12. Called up share capital

##### Authorised share capital

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>

##### Issued, called up and fully paid

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>375</u>	<u>375</u>	<u>375</u>	<u>375</u>

#### 13. Directors' advances, credits and guarantees

The director's loan account was not overdrawn during the current or prior year.

**Sangson Limited**

**Notes to the Financial Statements *(continued)***

**Year Ended 30th September 2019**

**14. Related party transactions**

**Controlling party**

The company is owned by the directors. Mr G S Sangha and his wife Mrs N K Sangha own the premises where the company trades from at Sangha House, Unit 1, 5-7 South Road, Hockley, Birmingham, B18 5NA, no rent was charged during the year, (2018 - £ nil).

**Dividends paid to directors**

Dividends paid during the year to the directors £nil, (2018 - £nil).

**Other creditors**

S L Imports Limited, in which Mr G S Sangha and Mr J S Sangha are directors, is owed £80,050 (2018 - £70,050) by Sangson Ltd. Loan from Narinder Sangha- £40,000 (2018 - £nil)