

BREAKWAY CLOTHING LIMITED
UNAUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

RPG CROUCH CHAPMAN LLP
Chartered Accountants
62 Wilson Street
London
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BREAKWAY CLOTHING LIMITED
REGISTERED NUMBER: 01357054

BALANCE SHEET
AS AT 30 APRIL 2020

	Note	2020 £	2019 £
Fixed assets			
Investment property	4	500,000	500,000
		<u>500,000</u>	<u>500,000</u>
Current assets			
Debtors: amounts falling due within one year	5	912	-
Cash at bank and in hand	6	103,738	93,714
		<u>104,650</u>	<u>93,714</u>
Creditors: amounts falling due within one year	7	(7,352)	(6,961)
Net current assets		<u>97,298</u>	<u>86,753</u>
Total assets less current liabilities		<u>597,298</u>	<u>586,753</u>
Provisions for liabilities			
Deferred tax	8	(64,186)	(64,186)
		<u>(64,186)</u>	<u>(64,186)</u>
Net assets		<u><u>533,112</u></u>	<u><u>522,567</u></u>
Capital and reserves			
Called up share capital		100	100
Investment property reserve	9	375,814	375,814
Other reserves	9	3,478	3,478
Profit and loss account	9	153,720	143,175
		<u>533,112</u>	<u>522,567</u>

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.

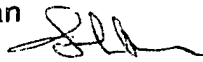
BREAKWAY CLOTHING LIMITED
REGISTERED NUMBER: 01357054

BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2020

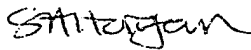
The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 June 2020.

John Horgan
Director



Sheila Anne Horgan
Director



The notes on pages 4 to 10 form part of these financial statements.

BREAKWAY CLOTHING LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2020**

	Called up share capital £	Investment property revaluation reserve £	Other reserves £	Profit and loss account £	Total equity £
At 1 May 2018	100	-	3,478	138,045	141,623
Comprehensive income for the year					
Profit for the year	-	-	-	22,130	22,130
Surplus on revaluation of investment properties	-	440,000	-	-	440,000
Deferred tax provision on revaluation of investment properties	-	(64,186)	-	-	(64,186)
Total comprehensive income for the year	-	375,814	-	22,130	397,944
Dividends: Equity capital	-	-	-	(17,000)	(17,000)
Total transactions with owners	-	-	-	(17,000)	(17,000)
At 1 May 2019	100	375,814	3,478	143,175	522,567
Comprehensive income for the year					
Profit for the year	-	-	-	24,545	24,545
Dividends: Equity capital	-	-	-	(14,000)	(14,000)
Total transactions with owners	-	-	-	(14,000)	(14,000)
At 30 April 2020	100	375,814	3,478	153,720	533,112

The notes on pages 4 to 10 form part of these financial statements.

BREAKWAY CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

1. General information

Breakway Clothing Limited is a private company limited by shares incorporated in England and Wales, company number 01357054.

The principal activity continued to be that of property rental.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Rendering of services

Revenue 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 revenue 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.

2.3 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

BREAKWAY CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, 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.

2.5 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, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	not depreciated
Fixtures and fittings	-	20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and loss account.

BREAKWAY CLOTHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.6 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Profit and loss account.

2.7 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.

2.8 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.

2.9 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.

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.11 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.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet

BREAKWAY CLOTHING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.11 Financial instruments (continued)

when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 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 2 (2019 - 2).

BREAKWAY CLOTHING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

4. Investment property

	Freehold investment property £
Valuation	
At 1 May 2019	500,000
At 30 April 2020	<u>500,000</u>
Comprising	
Cost	60,000
Annual revaluation surplus/(deficit): 2019	<u>440,000</u>
At 30 April 2020	<u>500,000</u>

The 2020 valuations were made by the directors, on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2020 £	2019 £
Historic cost	<u>60,000</u>	<u>60,000</u>
	<u>60,000</u>	<u>60,000</u>

5. Debtors

	2020 £	2019 £
Prepayments and accrued income	<u>912</u>	<u>-</u>
	<u>912</u>	<u>-</u>

BREAKWAY CLOTHING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

6. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	103,738	93,714
	<u>103,738</u>	<u>93,714</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Corporation tax	5,757	5,191
Other creditors	242	810
Accruals and deferred income	1,353	960
	<u>7,352</u>	<u>6,961</u>

8. Deferred taxation

	2020 £
At beginning of year	64,186
Charged to profit or loss	-
At end of year	<u>64,186</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Surplus on revaluations of investment properties	64,186	64,186
	<u>64,186</u>	<u>64,186</u>

BREAKWAY CLOTHING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

9. Reserves

Investment property revaluation reserve

The investment property revaluation reserve represents the surplus on revaluations in excess of historic cost less any corporation tax payable if the properties were sold at the carrying amount.

The properties were valued by the directors on 30 April 2019

Other reserves

Other reserves are funds set aside by directors.

Profit and loss account

The profit and loss account is comprised of the accumulated profits and losses of the company less any dividends paid.

10. Related party transactions

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

	2020 £	2019 £
Rent paid	24,709	24,000
	<u>24,709</u>	<u>24,000</u>

11. Controlling party

The ultimate controlling parties are Mr. and Mrs. J. F. Horgan who control the whole of the company's issued share capital.