Company registration number: 03128342

Funky Junk Ltd

Unaudited filleted financial statements

31 March 2020

Funky Junk Ltd

Contents

Funky Junk Ltd

Statement of financial position

31 March 2020

	Note	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	5	30,420		35,951	
Tangible assets	6	216,635		217,959	
Investments	7	-		1,250	
			247,055		255,160
Current assets					
Stocks		490,536		572,732	
Debtors	8	371,222		455,801	
Cash at bank and in hand		93,934		67,815	
		955,692		1,096,348	
Creditors: amounts falling due within one year	9	(818,038)		(917,806)	
Net current assets			137,654		178,542
Total assets less current liabilities			384,709		433,702
Creditors: amounts falling due after more than one year	10		(259,367)		(100,617)
Provisions for liabilities	11		(21,623)		(21,182)
Net assets			103,719		311,903
Capital and reserves					
Called up share capital			118		118
Share premium account			39,172		39,172
Capital redemption reserve			20		20
Profit and loss account			64,409		272,593
Shareholders funds			103,719		311,903

For the year ending 31 March 2020 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 have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of 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.

These financial statements were approved by the board of directors and authorised for issue on 31 March 2021 , and are signed on behalf of the board by:

Claire McKone

Director

Company registration number: 03128342

Funky Junk Ltd

Statement of changes in equity

Year ended 31 March 2020

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	**Total**
	£	£	£	£	**£**
At 1 April 2018	118	39,172	20	233,796	273,106
(Loss)/profit for the year				38,797	38,797
Total comprehensive income for the year	-	-	-	38,797	38,797
At 31 March 2019 and 1 April 2019	118	39,172	20	272,593	311,903
(Loss)/profit for the year				(208,184)	(208,184)
Total comprehensive income for the year	-	-	-	(208,184)	(208,184)
At 31 March 2020	118	39,172	20	64,409	103,719

Funky Junk Ltd

Notes to the financial statements

Year ended 31 March 2020

1. General information

The company is a private company limited by shares, registered in England. The address of the registered office is 407-409 Hornsey Road, London, N19 4DX.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Triennial review 2017 amendments to the standard have been early adopted.

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.

Turnover

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.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, 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 arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. 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 ten years.

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 a revalued amount, 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 only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

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	-	5 % straight line
Website	-	15 % reducing balance

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 are 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 capital and reserves, 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 capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves 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:

Short leasehold property	-	10 % reducing balance
Plant and machinery	-	5 % reducing balance
Fittings fixtures and equipment	-	20 % reducing balance

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

Fixed asset 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.

Impairment

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. 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 are 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 stocks to their 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 in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company 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. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets or either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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 in finance costs 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 9 (2019: 6).

5. Intangible assets

	Goodwill	Other intangible assets	Total
	£	£	£
Cost			
At 1 April 2019 and 31 March 2020	4,000	73,738	77,738
Amortisation			
At 1 April 2019	3,600	38,187	41,787
Charge for the year	200	5,331	5,531
At 31 March 2020	3,800	43,518	47,318
Carrying amount			
At 31 March 2020	200	30,220	30,420
At 31 March 2019	400	35,551	35,951

6. Tangible assets

	Short leasehold property	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2019	119,430	398,329	13,818	531,577
Additions	-	3,730	6,372	10,102
At 31 March 2020	119,430	402,059	20,190	541,679
Depreciation				
At 1 April 2019	82,957	221,870	8,791	313,618
Charge for the year	3,645	5,504	2,277	11,426
At 31 March 2020	86,602	227,374	11,068	325,044
Carrying amount				
At 31 March 2020	32,828	174,685	9,122	216,635
At 31 March 2019	36,473	176,459	5,027	217,959

Included in Plant and Machinery is an item on finance lease over 3 years. As there is a certainty that the ownership will pass to the lessee at the end of the lease, the item is depreciated over its economic life and not over the lease term.

7. Investments

	Other investments other than loans	**Total**
	£	**£**
Cost		
At 1 April 2019 and 31 March 2020	1,250	1,250
Impairment		
Impairment loss	1,250	1,250
At 1 April 2019 and 31 March 2020	1,250	1,250
Carrying amount		
At 31 March 2020	-	-
At 31 March 2019	1,250	1,250

8. Debtors

	2020	2019
	£	£
Trade debtors	175,659	311,274
Other debtors	195,563	144,527
	371,222	455,801

9. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	85,429	107,934
Trade creditors	535,721	593,713
Amounts owed to group undertakings and undertakings in which the company has a participating interest	6,049	11,049
Corporation tax	-	44,856
Social security and other taxes	32,240	35,224
Other creditors	158,599	125,030
	818,038	917,806

Bank loans and overdrafts above include Funding Circle loan £65,600 (2019: £107,934)

Other creditors includes amount owed to a director, M E Thompson, £89,974 (2019: £67,420) and Finance Lease rentals £46,667 (2019: £23,333)

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

	2020	2019
	£	£
Other creditors	259,367	100,617

Other creditors includes Funding Circle loan £259,367 (2019: £53,950) and Finance Lease rentals £ nil (2019: £46,667).

11. Provisions

	Deferred tax (note 12)
	£
At 1 April 2019	21,182
Charges against provisions	441
At 31 March 2020	21,623

12. Deferred tax

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

	2020	2019
	£	£
Included in provisions (note 11)	21,623	21,182

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

	2020	2019
	£	£
Accelerated capital allowances	441	1,573

13. Directors advances, credits and guarantees

The directors loan acoount was in credit at the year end.

14. Related party transactions

During the reporting period the company owed the director, M E Thompson, an unsecured loan maintained interest free. Amount due by the Company towards the loan account is repayable on demand, with no fixed date of repayment.

15. Controlling party

As at the year end, the company's ultimate controlling party was Mr M E Thompson.

16. Finance lease

Future finance charges under the finance lease are £5,989 over 1 year.