

HOMEWARE ESSENTIALS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2020

HOMEWARE ESSENTIALS LIMITED
REGISTERED NUMBER: 04613029

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	13,538	69,946
Tangible assets	5	171,945	151,870
		185,483	221,816
Current assets			
Stocks		947,783	908,925
Debtors: amounts falling due within one year	6	587,491	424,381
Cash at bank and in hand	7	3,592	3,986
		1,538,866	1,337,292
Creditors: amounts falling due within one year	8	(987,040)	(808,522)
Net current assets		551,826	528,770
Total assets less current liabilities			
		737,309	750,586
Creditors: amounts falling due after more than one year	9	(130,690)	(181,919)
Net assets		606,619	568,667
Capital and reserves			
Called up share capital		200	200
Profit and loss account		606,419	568,467
		606,619	568,667

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.

HOMEWARE ESSENTIALS LIMITED
REGISTERED NUMBER: 04613029

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

The company has opted not to file the statement of income and retained earnings 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 by:

Mr M Brown
Director

Date: 4 December 2020

The notes on pages 3 to 7 form part of these financial statements.

HOMWARE ESSENTIALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. General information

The company is a private company, limited by shares, incorporated in England and Wales and its registered office is:-

Wandhills Avenue

Skelton Industrial Estate

Skelton in Cleveland

TS12 2LQ

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 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:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the statement of comprehensive income over its useful economic life of 10 years.

Website

Website is in relation to the costs for development of a website. Website costs are amortised on a straight line basis to the statement of comprehensive income over its useful economic life of 5 years.

2.4 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, on a reducing balance basis and a straight line method.

Depreciation is provided on the following basis:

Leasehold building	- 10 years straight line
Plant & machinery	- 5 years straight line
Motor vehicles	- 25% reducing balance
Furniture, fittings and equipment	- 10% reducing balance
Computer equipment	- 33% reducing balance

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 profit or loss.

2.5 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.

3. Employees

The average monthly number of employees, including directors, during the year was 25 (2019 - 22).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. Intangible assets

	Website £	Goodwill £	Total £
Cost			
At 1 April 2019	12,375	600,000	612,375
Additions	7,000	-	7,000
At 31 March 2020	<u>19,375</u>	<u>600,000</u>	<u>619,375</u>
Amortisation			
At 1 April 2019	2,429	540,000	542,429
Charge for the year on owned assets	3,408	60,000	63,408
At 31 March 2020	<u>5,837</u>	<u>600,000</u>	<u>605,837</u>
Net book value			
At 31 March 2020	<u>13,538</u>	<u>-</u>	<u>13,538</u>
<i>At 31 March 2019</i>	<u>9,946</u>	<u>60,000</u>	<u>69,946</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

5. Tangible fixed assets

	Long term leasehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost					
At 1 April 2019	38,965	29,830	131,194	107,265	307,254
Additions	-	-	-	46,602	46,602
At 31 March 2020	<u>38,965</u>	<u>29,830</u>	<u>131,194</u>	<u>153,867</u>	<u>353,856</u>
Depreciation					
At 1 April 2019	11,123	29,830	54,602	59,829	155,384
Charge for the year on owned assets	3,639	-	3,714	9,406	16,759
Charge for the year on financed assets	-	-	9,768	-	9,768
At 31 March 2020	<u>14,762</u>	<u>29,830</u>	<u>68,084</u>	<u>69,235</u>	<u>181,911</u>
Net book value					
At 31 March 2020	<u>24,203</u>	<u>-</u>	<u>63,110</u>	<u>84,632</u>	<u>171,945</u>
At 31 March 2019	<u>27,842</u>	<u>-</u>	<u>76,592</u>	<u>47,436</u>	<u>151,870</u>

6. Debtors

	2020 £	2019 £
Trade debtors	567,283	401,514
Other debtors	4	7,602
Prepayments and accrued income	20,204	15,265
	<u>587,491</u>	<u>424,381</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

7. Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	3,592	3,986
Less: bank overdrafts	(243,743)	(227,756)
	<u>(240,151)</u>	<u>(223,770)</u>

8. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank overdrafts	243,743	227,756
Bank loans	72,648	89,214
Trade creditors	486,805	307,140
Corporation tax	39,007	48,052
Other taxation and social security	66,661	42,976
Obligations under finance lease and hire purchase contracts	19,383	13,650
Other creditors	23,889	1,364
Accruals and deferred income	34,904	78,370
	<u>987,040</u>	<u>808,522</u>

9. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank loans	113,669	166,981
Net obligations under finance leases and hire purchase contracts	17,021	14,938
	<u>130,690</u>	<u>181,919</u>

10. Related party transactions

During the year the company traded with a company in which the directors have an interest. Sales of £48,265 (2019: £40,692) were made and at the balance sheet date £10,455 (2019: £15,435) is included in trade debtors.

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.