

Company Registration No. 05952714 (England and Wales)

**FABRICSMART LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**PAGES FOR FILING WITH REGISTRAR**

# FABRICSMART LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr R W Cooper Mr M Hardgrave Mr D Jones	(Appointed 3 August 2020)
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<b>Secretary</b>	Mrs H Cooper
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<b>Company number</b>	05952714
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<b>Registered office</b>	Star House Star Hill Rochester Kent ME1 1UX
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<b>Accountants</b>	Crossley Financial Accounting Star House Star Hill Rochester Kent ME1 1UX
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# FABRICSMART LIMITED

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# FABRICSMART LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Intangible assets	3		13,767		11,695
Tangible assets	4		60,670		65,827
			<u>74,437</u>		<u>77,522</u>
<b>Current assets</b>					
Stocks	5	596,891		333,949	
Debtors	6	371,407		190,892	
Cash at bank and in hand		309,607		156,407	
		<u>1,277,905</u>		<u>681,248</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(857,063)</u>		<u>(655,000)</u>	
<b>Net current assets</b>			<u>420,842</u>		<u>26,248</u>
<b>Total assets less current liabilities</b>			<u>495,279</u>		<u>103,770</u>
<b>Creditors: amounts falling due after more than one year</b>	8		(214,667)		-
<b>Provisions for liabilities</b>			<u>(9,985)</u>		<u>(12,507)</u>
<b>Net assets</b>			<u><u>270,627</u></u>		<u><u>91,263</u></u>
<b>Capital and reserves</b>					
Called up share capital			20,000		20,000
Share premium account			3,335		3,335
Profit and loss reserves			<u>247,292</u>		<u>67,928</u>
<b>Total equity</b>			<u><u>270,627</u></u>		<u><u>91,263</u></u>

## **FABRICSMART LIMITED**

### **STATEMENT OF FINANCIAL POSITION (CONTINUED)**

***AS AT 31 DECEMBER 2020***

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For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 3 September 2021 and are signed on its behalf by:

Mr R W Cooper  
**Director**

**Company Registration No. 05952714**

# FABRICSMART LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Company information

Fabricsmart Limited is a private company limited by shares incorporated in England and Wales. The registered office is Star House, Star Hill, Rochester, Kent, ME1 1UX. The trading address is 45 High Street, West Malling, Kent, ME19 6QH.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	20% reducing balance
Trademarks	3 years straight line

# FABRICSMART LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	49 months straight line
Plant and equipment	25% reducing balance
Fixtures and fittings	25% reducing balance
Computer equipment	10% straight line
Motor vehicles	25% reducing balance
Office equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

##### **Basic financial assets**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# FABRICSMART LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# FABRICSMART LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	11	7

### 3 Intangible fixed assets

	Website £	Trademarks £	Total £
<b>Cost</b>			
At 1 January 2020	19,035	2,682	21,717
Additions	5,513	-	5,513
At 31 December 2020	24,548	2,682	27,230
<b>Amortisation and impairment</b>			
At 1 January 2020	7,340	2,682	10,022
Amortisation charged for the year	3,441	-	3,441
At 31 December 2020	10,781	2,682	13,463
<b>Carrying amount</b>			
At 31 December 2020	13,767	-	13,767
At 31 December 2019	11,695	-	11,695

# FABRICSMART LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Tangible fixed assets									
		Leasehold improvements	Plant and equipment	Fixtures and fittings	Computer equipment	Motor vehicle	Office equipment		Total
	Cost	£	£	£	£	£	£	£	£
At 1 January 2020		-	2,830	13,626	19,586	99,953	5,500		141,495
Additions		11,123	-	995	3,886	9,900	-		25,904
At 31 December 2020		11,123	2,830	14,621	23,472	109,853	5,500		167,399
<b>Depreciation and impairment</b>									
At 1 January 2020		-	1,209	9,640	12,532	46,788	5,500		75,669
Depreciation charged in the year		227	405	1,245	1,926	27,257	-		31,060
At 31 December 2020		227	1,614	10,885	14,458	74,045	5,500		106,729
<b>Carrying amount</b>									
At 31 December 2020		10,896	1,216	3,736	9,014	35,808	-		60,670
At 31 December 2019		-	1,621	3,986	7,055	53,165	-		65,827

# FABRICSMART LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Stocks

	2020 £	2019 £
Stocks	596,891	333,949

### 6 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	123,767	117,078
Other debtors	247,640	73,814
	371,407	190,892

### 7 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	15,333	-
Trade creditors	414,422	115,517
Corporation tax	74,622	24,599
Other taxation and social security	168,510	95,722
Other creditors	184,176	419,162
	857,063	655,000

HSBC Bank Plc hold a fixed and floating charge over all assets and property.

HSBC Invoice Finance (UK) Ltd hold a fixed and floating charge over all the property and undertakings of the company.

The obligations under finance leases and hire purchase are secured under specific assets financed.

### 8 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	214,667	-

## FABRICSMART LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 9 Operating lease commitments

##### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
Within one year	-	1,513
	<hr/>	<hr/>
	-	1,513
	<hr/>	<hr/>

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