

Blake Mill Limited

Directors' Report and Unaudited

Year Ended

31 March 2022

Company Number 06686612



Blake Mill Limited

Company Information

Directors	S P French K W Price
Registered number	06686612
Registered office	2nd Floor 31 Chertsey Street Guildford Surrey United Kingdom GU1 4HD
Accountants	BDO LLP 3 Hardman Street Manchester M3 3AT

Blake Mill Limited

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Blake Mill Limited

Chartered Accountants' Report to the Board of Directors on the preparation of the Unaudited Financial Statements of Blake Mill Limited for the year ended 31 March 2022

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Blake Mill Limited for the year ended 31 March 2022 which comprise the Statement of Financial Position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation/a-z>

It is your duty to ensure that Blake Mill Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Blake Mill Limited. You consider that Blake Mill Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Blake Mill Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Use of our report

This report is made solely to the board of directors of Blake Mill Limited, as a body, in accordance with the terms of our engagement letter dated 18 May 2021. Our work has been undertaken solely to prepare for your approval the accounts of Blake Mill Limited and state those matters that we have agreed to state to the board of directors of Blake Mill Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Blake Mill Limited and its board of directors as a body for our work or for this report.

BDO LLP

BDO LLP
Chartered Accountants
Manchester
United Kingdom

Date: 19 December 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Blake Mill Limited
Registered number: 06686612

Statement of Financial Position
As at 31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible fixed assets	5		3,837		4,342
Tangible fixed assets	6		4,224		5,632
			<u>8,061</u>		<u>9,974</u>
Current assets					
Stocks		93,323		93,553	
Debtors	7	16,668		4,998	
Bank and cash balances		21,921		5,764	
		<u>131,912</u>		<u>104,315</u>	
Creditors: amounts falling due within one year	8	(1,519,905)		(1,368,864)	
Net current liabilities			<u>(1,387,993)</u>		<u>(1,264,549)</u>
Total assets less current liabilities			<u>(1,379,932)</u>		<u>(1,254,575)</u>
Creditors: amounts falling due after more than one year	9		(43,215)		(42,094)
Net liabilities			<u><u>(1,423,147)</u></u>		<u><u>(1,296,669)</u></u>

Blake Mill Limited
Registered number: 06686612

Statement of Financial Position (continued)
As at 31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Capital and reserves					
Called up share capital	11		293		293
Share premium account			49,985		49,985
Profit and loss account			(1,473,425)		(1,346,947)
Total deficit			(1,423,147)		(1,296,669)

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.

The Company has opted not to file the statement of comprehensive income 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 **11 November 2022**.



K W Price
Director

The notes on pages 4 to 11 form part of these financial statements.

Blake Mill Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

1. General information

Blake Mill Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company information page and the nature of the company's operations is the manufacture and retail of clothing.

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 (see note 3).

The financial statements are prepared in GBP and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Going concern

The Company incurred a loss before tax for the year ended 31 March 2022 of £126,478 (2021 - £7,372 profit) and its net liabilities as at 31 March 2022 amounted to £1,423,147 (2021 - £1,296,669). The directors have confirmed they will continue to provide financial support to the company for the foreseeable future and will not seek repayment of monies before other liabilities.

2.3 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.

Blake Mill Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Website	-	10	years
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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, on a reducing balance basis.

Depreciation is provided on the following basis:

Office equipment	-	25% Reducing Balance
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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 Statement of Comprehensive Income.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

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.

Blake Mill Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

2. Accounting policies (continued)

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 Financial instruments

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than its legal form.

The Company's cash at bank and in hand and trade and other debtors and its trade and other creditors and bank overdrafts are measured initially at the transaction price, including transaction costs, and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method

2.11 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

Blake Mill Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.13 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.15 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

Blake Mill Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determining whether stock balances are valued correctly, requires and is based on up to date trading information. The directors use their knowledge of the business, the trading environment and future projections to assess whether provision is necessary in these areas.
- Determining whether current year sales will be returned after the year end and returns are valued correctly, requires and is based on up to date trading information. The directors use their knowledge of the business, the trading environment and future projections to assess whether provision is necessary in these areas.

There are no other areas of key estimation uncertainty.

4. Employees

The average monthly number of employees, including directors, during the year was 4 (2021 - 4).

5. Intangible assets

	Website £
Cost	
At 1 April 2021	5,044
At 31 March 2022	5,044
Amortisation	
At 1 April 2021	701
Charge for the year	505
At 31 March 2022	1,206
Net book value	
At 31 March 2022	3,838
At 31 March 2021	4,342

Blake Mill Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

6. Tangible fixed assets

	Office equipment £
Cost	
At 1 April 2021	8,196
At 31 March 2022	<u>8,196</u>
Depreciation	
At 1 April 2021	2,564
Charge for the year	1,408
At 31 March 2022	<u>3,972</u>
Net book value	
At 31 March 2022	<u><u>4,224</u></u>
At 31 March 2021	<u><u>5,632</u></u>

Blake Mill Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

7. Debtors

	2022 £	2021 £
Other debtors	4,287	3,852
Prepayments and accrued income	12,381	1,146
	<u>16,668</u>	<u>4,998</u>

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	12,508	23,788
Bank loans	77,174	7,906
Other loans	1,261,126	1,242,057
Trade creditors	125,277	17,097
Other taxation and social security	31,268	57,942
Other creditors	7,502	8,122
Accruals and deferred income	5,050	11,952
	<u>1,519,905</u>	<u>1,368,864</u>

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

	2022 £	2021 £
Bank loans	<u>43,215</u>	<u>42,094</u>

Blake Mill Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

10. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	77,174	7,906
Other loans	1,261,126	1,242,057
	<u>1,338,300</u>	<u>1,249,963</u>
Amounts falling after more than one year		
Bank loans	43,215	42,094
	<u>1,381,515</u>	<u>1,292,057</u>

11. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
22,075 (2021 - 22,075) Ordinary shares of £0.01 each	221	221
60 (2021 - 60) Deferred shares of £1.00 each	60	60
1,175 (2021 - 1,175) Preference shares of £0.01 each	12	12
	<u>293</u>	<u>293</u>

The redeemable preference shares carry no voting rights however rank pari passu on a winding up. All ordinary shares each carry one voting right and rank pari passu on a winding up.

12. Pension commitments

The company operates a defined contribution pension scheme. The pension cost charge represents contributions payable by the Company to the fund and amounts to £303 (2021 - £1,188). Contributions totalling £1,557 (2021 - £295) were payable to the fund at the Statement of Financial Position date and are included in other creditors.

13. Controlling party

Due to equal shareholdings the Director's believe there is no ultimate controlling party.