

## **Blake Mill Limited**

Directors' Report and Unaudited

Year Ended

31 March 2023

Company Number 06686612





## Blake Mill Limited

### Company Information

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**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 2023

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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 2023 which comprise Statement of Financial Position, the Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

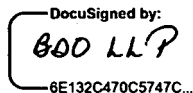
As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation/a-z>.

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 [profit/loss] of Blake Mill Limited. You consider that Blake Mill Limited is exempt from the statutory audit requirement for the [year/period].

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.

DocuSigned by:  
  
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**BDO LLP**  
Chartered Accountants  
Manchester  
United Kingdom

Date: 26/9/2023

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 2023**

	Note	2023 £	2023 £	As restated 2022 £	As restated 2022 £
<b>Fixed assets</b>					
Intangible assets	5		3,572		3,838
Tangible assets	6		6,985		4,224
			<u>10,557</u>		<u>8,062</u>
<b>Current assets</b>					
Stocks		129,884		93,323	
Debtors	7	51,753		16,668	
Bank and cash balances		10,058		21,921	
		<u>191,695</u>		<u>131,912</u>	
Creditors: amounts falling due within one year	8	(1,518,881)		(1,514,502)	
<b>Net current liabilities</b>			<u>(1,327,186)</u>		<u>(1,382,590)</u>
<b>Total assets less current liabilities</b>			<u>(1,316,629)</u>		<u>(1,374,528)</u>
Creditors: amounts falling due after more than one year	9		(179,824)		(43,215)
<b>Provisions for liabilities</b>					
Other provisions	11	(8,057)		(5,404)	
			<u>(8,057)</u>		<u>(5,404)</u>
<b>Net liabilities</b>			<u><u>(1,504,510)</u></u>		<u><u>(1,423,147)</u></u>



**Blake Mill Limited**  
Registered number: 06686612

**Statement of Financial Position (continued)**  
**As at 31 March 2023**

	Note	2023 £	2023 £	As restated 2022 £	As restated 2022 £
<b>Capital and reserves</b>					
Called up share capital	12		249		293
Share premium account			336,199		49,985
Profit and loss account			(1,840,958)		(1,473,425)
			<u>(1,504,510)</u>		<u>(1,423,147)</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.

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

 September 22, 2023  
K W Price  
Director

The notes on pages 5 to 14 form part of these financial statements.



## Blake Mill Limited

### Statement of Changes in Equity For the Year Ended 31 March 2023

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>At 1 April 2021</b>	293	49,985	(1,346,947)	(1,296,669)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(126,478)	(126,478)
<b>Total comprehensive income for the year</b>	-	-	(126,478)	(126,478)
<b>At 1 April 2022</b>	293	49,985	(1,473,425)	(1,423,147)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(367,593)	(367,593)
<b>Total comprehensive income for the year</b>	-	-	(367,593)	(367,593)
<b>Contributions by and distributions to owners</b>				
Shares issued during the year	16	286,214	-	286,230
Cancellation of share capital	(60)	-	60	-
<b>Total transactions with owners</b>	(44)	286,214	60	286,230
<b>At 31 March 2023</b>	249	336,199	(1,840,958)	(1,504,510)

The notes on pages 5 to 14 form part of these financial statements.



# Blake Mill Limited

## Notes to the Financial Statements For the Year Ended 31 March 2023

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### 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. The principal activity of the Company 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 judgement 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 2023 of £367,593 (2022 - £126,478) and its net liabilities as at 31 March 2023 amounted to £1,504,510 (2022 - £1,423,147). 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.

Additionally, following the year end the company received additional investment from new and existing shareholders. As a result of the funding and confirmations received, the directors are of the opinion that the company will continue to be a going concern for at least 12 months following the signing date of these financial statements.

#### 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 2023

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### 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 2023**

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#### **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 the Statement of Comprehensive Income 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 2023**

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#### **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 the Statement of Comprehensive Income 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 the Statement of Comprehensive Income within 'administrative expenses'.

##### **2.13 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income 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 the Statement of Comprehensive Income 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 the Statement of Comprehensive Income 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 2023**

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#### **2. Accounting policies (continued)**

##### **2.16 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 profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting 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 Statement of Financial Position.

#### **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 3 (2022 - 2).



## Blake Mill Limited

### Notes to the Financial Statements For the Year Ended 31 March 2023

#### 5. Intangible assets

	Trademarks £	Website £	Total £
<b>Cost</b>			
At 1 April 2022	-	5,044	5,044
Additions	260	-	260
At 31 March 2023	<u>260</u>	<u>5,044</u>	<u>5,304</u>
<b>Amortisation</b>			
At 1 April 2022	-	1,206	1,206
Charge for the year	21	505	526
At 31 March 2023	<u>21</u>	<u>1,711</u>	<u>1,732</u>
<b>Net book value</b>			
At 31 March 2023	<u>239</u>	<u>3,333</u>	<u>3,572</u>
At 31 March 2022	<u>-</u>	<u>3,838</u>	<u>3,838</u>



## Blake Mill Limited

### Notes to the Financial Statements For the Year Ended 31 March 2023

#### 6. Tangible fixed assets

	Office equipment £
<b>Cost</b>	
At 1 April 2022	8,196
Additions	4,690
At 31 March 2023	<u>12,886</u>
<b>Depreciation</b>	
At 1 April 2022	3,972
Charge for the year	1,929
At 31 March 2023	<u>5,901</u>
<b>Net book value</b>	
At 31 March 2023	<u><u>6,985</u></u>
At 31 March 2022	<u><u>4,224</u></u>



# Blake Mill Limited

## Notes to the Financial Statements For the Year Ended 31 March 2023

### 7. Debtors

	2023 £	2022 £
Trade debtors	1,614	-
Other debtors	855	4,287
Prepayments and accrued income	49,284	12,381
	<u>51,753</u>	<u>16,668</u>

### 8. Creditors: amounts falling due within one year

	2023 £	As restated 2022 £
Bank overdrafts	38,176	12,508
Bank loans	37,438	77,174
Other loans	1,165,719	1,261,126
Trade creditors	221,353	125,277
Other taxation and social security	45,708	31,268
Other creditors	5,177	2,098
Accruals and deferred income	5,310	5,051
	<u>1,518,881</u>	<u>1,514,502</u>

### 9. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loans	179,824	43,215



# Blake Mill Limited

## Notes to the Financial Statements For the Year Ended 31 March 2023

### 10. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
<b>Amounts falling due within one year</b>		
Bank loans	37,438	77,174
Other loans	1,165,719	1,261,126
<b>Amounts falling due 1-2 years</b>		
Bank loans	44,799	30,196
<b>Amounts falling due 2-5 years</b>		
Bank loans	120,395	10,579
<b>Amounts falling due after more than 5 years</b>		
Bank loans	14,630	2,440
	<u>1,382,981</u>	<u>1,381,515</u>

### 11. Provisions

	Returns provision £
At 1 April 2022	5,404
Charged to profit or loss	2,653
<b>At 31 March 2023</b>	<u><b>8,057</b></u>

The returns provision is an estimate of sales recognised within the year which are anticipated to be returned following the year end.

### 12. Share capital

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
2,370,000 (2022 - 2,207,500) Ordinary (0.0001) shares of £0.0001 each	237	221
0 (2022 - 60) Deferred shares of £1.0000 each	-	60
117,500 (2022 - 117,500) Preference shares of £0.0001 each	12	12
	<u>249</u>	<u>293</u>



## **Blake Mill Limited**

### **Notes to the Financial Statements For the Year Ended 31 March 2023**

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#### **12. Share capital (continued)**

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.

On 14 July 2022, the directors reduced the share capital of the company by extinguishing all of the deferred shares.

#### **13. Prior year adjustment**

Following a review after the year end the directors identified that amounts relating to the sales return provision had been included incorrectly within other creditors falling due within one year and should have been separately included within provisions at the year end. Other creditors falling due within one year has decreased from £7,502 to £2,098, with provisions at the year end increasing from £Nil to £5,404. There is no impact on net assets or the income statement.

The directors had previously reported distribution costs within cost of sales, these have been separated out to a separate category. In the prior year cost of sales has reduced by £58,644 to £273,268 and distribution costs have increased to £58,644. There is no impact to profit after tax or net assets.

#### **14. 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 £569 (2022 - £303). Contributions totalling £1,942 (2022 - £1,557) were payable to the fund at the Statement of Financial Position date and are included in other creditors.

#### **15. Post balance sheet events**

Following, the year end the Company received additional investment from both new and existing shareholders. At the date of signing these financial statements an additional 117,700 shares had been issued for consideration of £202,816.

#### **16. Controlling party**

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