

**INSTINCT RESOURCING LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Instinct Resourcing Limited
Unaudited Financial Statements
For The Year Ended 31 December 2020

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Instinct Resourcing Limited
Balance Sheet
As at 31 December 2020

Registered number: 07406506

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	4		15,388		18,145
			<u>15,388</u>		<u>18,145</u>
CURRENT ASSETS					
Debtors	5	459,124		703,879	
Cash at bank and in hand		<u>866,492</u>		<u>68,839</u>	
		1,325,616		772,718	
Creditors: Amounts Falling Due Within One Year	6	<u>(844,198)</u>		<u>(479,399)</u>	
NET CURRENT ASSETS (LIABILITIES)			<u>481,418</u>		<u>293,319</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>496,806</u>		<u>311,464</u>
Creditors: Amounts Falling Due After More Than One Year	7		<u>(10,000)</u>		<u>(30,000)</u>
PROVISIONS FOR LIABILITIES					
Deferred Taxation			<u>(2,924)</u>		<u>(3,448)</u>
NET ASSETS			<u>483,882</u>		<u>278,016</u>
CAPITAL AND RESERVES					
Called up share capital	8		900		900
Capital redemption reserve			1		1
Profit and Loss Account			<u>482,981</u>		<u>277,115</u>
SHAREHOLDERS' FUNDS			<u>483,882</u>		<u>278,016</u>

Instinct Resourcing Limited
Balance Sheet (continued)
As at 31 December 2020

For the year ending 31 December 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 in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Michael Ward

Director

17/02/2021

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

Instinct Resourcing Limited
Notes to the Financial Statements
For The Year Ended 31 December 2020

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Going Concern Disclosure

The directors have not identified any material uncertainties related to events or conditions that may cast significant doubt about the company's ability to continue as a going concern.

1.3. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.4. Intangible Fixed Assets and Amortisation - Other Intangible

Intangible assets are recognised at cost. After recognition, under the cost model, intangible assets are measure 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.

1.5. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & Fittings	20% reducing balance
Computer Equipment	20% reducing balance

1.6. Leasing and Hire Purchase Contracts

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.7. 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, loan from banks and other third parties, loan to related parties and investments in ordinary shares.

1.8. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Instinct Resourcing Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

1.9. Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and 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 end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

1.10. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.11. Interest income

Interest income is recognised in profit or loss using the effective interest method.

1.12. Debtors

Short term debtors are measure at transaction price, less any impairment. Loan receivable are measure initially at fair value, net of transaction costs, and are measures subsequently at amortised cost using the effective interest method, less any impairment.

Instinct Resourcing Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

1.13. Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

1.14 Creditors

Short term creditors are measure at the transaction price. Other financial liabilities, including bank loans, are measure initially at fair value, net of transaction cost, and are measures subsequently at amortised cost using the effective interest method.

1.15 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measure at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

1.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved the shareholders.

1.17 EMI share option scheme

The company operates an Enterprise Management Incentive Option Agreement with key employees of the company. These agreements are intended to constitute the grant of interests for services provided to the company. In accordance with FRS102 Section 26 'Share-based payment', equity-settled share-based payments are measure at fair value at the date of the grant

Fair value is measures by use of the Black-Scholes Merton pricing model. The fair value determined at the grant date of the equity-settled share-based payment is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the company's estimate of the shares that will eventually vest, where the equity-settled share based payment is material.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 16 (2019: 15)

3. Intangible Assets

	Other £
Cost	
As at 1 January 2020	10,000
As at 31 December 2020	10,000
Amortisation	
As at 1 January 2020	10,000
As at 31 December 2020	10,000
Net Book Value	
As at 31 December 2020	-
As at 1 January 2020	-

Instinct Resourcing Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

4. Tangible Assets

	Fixtures & Fittings	Computer Equipment	Total
	£	£	£
Cost			
As at 1 January 2020	24,295	20,039	44,334
Additions	-	865	865
As at 31 December 2020	<u>24,295</u>	<u>20,904</u>	<u>45,199</u>
Depreciation			
As at 1 January 2020	14,542	11,647	26,189
Provided during the period	1,771	1,851	3,622
As at 31 December 2020	<u>16,313</u>	<u>13,498</u>	<u>29,811</u>
Net Book Value			
As at 31 December 2020	<u>7,982</u>	<u>7,406</u>	<u>15,388</u>
As at 1 January 2020	<u>9,753</u>	<u>8,392</u>	<u>18,145</u>

5. Debtors

	2020	2019
	£	£
Due within one year		
Trade debtors	131,184	623,678
Prepayments and accrued income	312,192	14,713
Other debtors	5,912	195
Factored debts outstanding	9,836	65,293
	<u>459,124</u>	<u>703,879</u>

The invoice factoring facility is secured over the assets of the company.

6. Creditors: Amounts Falling Due Within One Year

	2020	2019
	£	£
Trade creditors	52,150	233,635
Corporation tax	144,942	90,649
Other taxes and social security	36,651	28,897
VAT	343,619	102,142
Other creditors	20,000	20,000
Accruals and deferred income	246,812	2,500
Directors' loan accounts	24	1,576
	<u>844,198</u>	<u>479,399</u>

Instinct Resourcing Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 December 2020

7. Creditors: Amounts Falling Due After More Than One Year

	2020	2019
	£	£
Other creditors	10,000	30,000
	<u>10,000</u>	<u>30,000</u>

8. Share Capital

		2020	2019
		£	£
Allotted, Called up and fully paid		900	900
		<u>900</u>	<u>900</u>

	Value	Number	2020	2019
	£		£	£
Allotted, called up and fully paid				
Ordinary A shares	1	100	100	100
Ordinary B shares	1	600	600	600
Ordinary D shares	1	200	200	200
		<u>900</u>	<u>900</u>	<u>900</u>

9. Other Commitments

The total of future minimum lease payments under non-cancellable operating leases are as following:

	Land and buildings		Other	
	2020	2019	2020	2019
	£	£	£	£
Within 1 year	41,445	12,312	18,128	41,445
Between 1 and 5 years	165,780	8,208	4,994	165,780
After 5 years	20,723	-	-	62,168
	<u>227,948</u>	<u>20,520</u>	<u>23,122</u>	<u>269,393</u>

10. Pension Commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £92,716 (PY £116,339).

At the balance sheet date unpaid contributions of £nil (PY £nil) were due to the fund.

11. General Information

Instinct Resourcing Limited is a private company, limited by shares, incorporated in England & Wales, registered number 07406506 . The registered office is 2nd Floor York House, York Street, Manchester, M2 3BB.

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.