

REGISTERED NUMBER: 07675871 (England and Wales)

Unaudited Financial Statements for the Year Ended 31 December 2019

for

The New Craftsmen Limited

**Contents of the Financial Statements
for the year ended 31 December 2019**

	Page
Company Information	1
Statement of Financial Position	2
Notes to the Financial Statements	4

The New Craftsmen Limited

Company Information for the year ended 31 December 2019

DIRECTORS:

Mr M Henderson
Mr D Shafranik
Mr O Zhang
Ms Y J Ford
Mr C F Mackinnon
Mr J H Thorpe

REGISTERED OFFICE:

12 Clapham Mansions Nightingale Lane
London
SW4 9AQ

REGISTERED NUMBER:

07675871 (England and Wales)

ACCOUNTANTS:

flinder effect limited
Certified Chartered Accountants (ACCA)
94 West Street
Crawley
West Sussex
RH11 8AW

The New Craftsmen Limited (Registered number: 07675871)

**Statement of Financial Position
31 December 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Intangible assets	5	47,147	73,372
Tangible assets	6	<u>30,009</u>	<u>55,523</u>
		<u>77,156</u>	<u>128,895</u>
CURRENT ASSETS			
Stocks		74,130	62,734
Debtors	7	88,588	144,765
Cash at bank		<u>1,063,835</u>	<u>67,051</u>
		<u>1,226,553</u>	<u>274,550</u>
CREDITORS			
Amounts falling due within one year	8	<u>(239,204)</u>	<u>(573,633)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>987,349</u>	<u>(299,083)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,064,505</u>	<u>(170,188)</u>
CAPITAL AND RESERVES			
Called up share capital		4,783	1,893
Share premium		4,567,145	2,511,785
Retained earnings		<u>(3,507,423)</u>	<u>(2,683,866)</u>
SHAREHOLDERS' FUNDS		<u>1,064,505</u>	<u>(170,188)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The notes form part of these financial statements

The New Craftsmen Limited (Registered number: 07675871)

Statement of Financial Position - continued
31 December 2019

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 16 November 2020 and were signed on its behalf by:

Mr M Henderson - Director

The notes form part of these financial statements

The New Craftsmen Limited (Registered number: 07675871)

Notes to the Financial Statements for the year ended 31 December 2019

1. STATUTORY INFORMATION

The New Craftsmen Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates if necessary. It also requires management to exercise judgement in applying the company accounting policies.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of three years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - Straight line over 3 years

Inventories

Inventories have been valued at the lower of cost and estimated selling price less costs to complete and sell. In respect of work in progress and finished goods, cost includes a relevant proportion of overheads according to the stage of manufacturing/completion.

**Notes to the Financial Statements - continued
for the year ended 31 December 2019**

3. ACCOUNTING POLICIES - continued

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 balance sheet 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

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.

Classification of financial instruments

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 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 creditor 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 at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**Notes to the Financial Statements - continued
for the year ended 31 December 2019**

3. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets acquired under hire purchase contracts are included in tangible fixed assets are depreciated over their estimated useful lives. The obligations net of future charges are included in creditors.

Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective rate of interest method. So as to achieve a constant rate of interest on the remaining balance of the liabilities. Finance charges are deducted and charged to the profit and loss when they are incurred.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 16 (2018 - 15) .

5. INTANGIBLE FIXED ASSETS

	Development costs £
COST	
At 1 January 2019	93,252
Additions	4,999
At 31 December 2019	<u>98,251</u>
AMORTISATION	
At 1 January 2019	19,880
Amortisation for year	31,224
At 31 December 2019	<u>51,104</u>
NET BOOK VALUE	
At 31 December 2019	<u>47,147</u>
At 31 December 2018	<u>73,372</u>

The New Craftsmen Limited (Registered number: 07675871)

**Notes to the Financial Statements - continued
for the year ended 31 December 2019**

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2019	197,976	18,650	216,626
Additions	-	1,757	1,757
At 31 December 2019	<u>197,976</u>	<u>20,407</u>	<u>218,383</u>
DEPRECIATION			
At 1 January 2019	151,082	10,021	161,103
Charge for year	22,442	4,829	27,271
At 31 December 2019	<u>173,524</u>	<u>14,850</u>	<u>188,374</u>
NET BOOK VALUE			
At 31 December 2019	<u>24,452</u>	<u>5,557</u>	<u>30,009</u>
At 31 December 2018	<u>46,894</u>	<u>8,629</u>	<u>55,523</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	37,299	58,833
Other debtors	<u>51,289</u>	<u>85,932</u>
	<u>88,588</u>	<u>144,765</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	118,580	150,205
Taxation and social security	39,780	13,708
Other creditors	<u>80,844</u>	<u>409,720</u>
	<u>239,204</u>	<u>573,633</u>

9. RELATED PARTY DISCLOSURES

At the year end the company owed the director M Henderson who made interest free loans to the company of £13,870 (2018: £13,870).

**Notes to the Financial Statements - continued
for the year ended 31 December 2019**

10. SHARE-BASED PAYMENT TRANSACTIONS

The Company operates an Approved EMI Share Option Plan where certain employees are granted options to purchase shares in the company. On exercise of the options by the employees, the Company issues new shares. In 2019, 340,000 options were granted which vest as follows: 50% on 31/12/2019 and 50% on 31/12/2020.

All Options are issued in 2019 are over Ordinary Shares and have an exercise price of £0.50.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year under the Approved EMI Share Option Plan.

	2019		2018	
	No.	WAEP	No.	WAEP
Outstanding at 1 January	179,266	£2.00	179,266	£2.00
Granted	340,000	£0.50	-	-
Forfeited	(179,266)	£2.00	-	-
Forfeited	(40,000)	£0.50	-	-
Outstanding at 31 December	300,000	£0.50	179,266	£2.00
Exercisable at 31 December	150,000	£0.50	179,266	£2.00

The Company is unable to directly measure the fair value of employee services received. Instead the fair value of the share options granted during the year is determined using the Black-Scholes model. The model is internationally recognised as being appropriate to value employee share schemes similar to the scheme the Company have in place.

The total charge for the year was £18,927 (2018: £nil).

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.