
PAPERWAITS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 JANUARY 2019

PAPERWAITS LIMITED
REGISTERED NUMBER: 08816925

BALANCE SHEET
AS AT 31 JANUARY 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	2,919	2,391
		<u>2,919</u>	<u>2,391</u>
Current assets			
Stocks		171,818	177,779
Debtors: amounts falling due within one year	5	13,556	16,243
Cash at bank and in hand		21,487	11,266
		<u>206,861</u>	<u>205,288</u>
Creditors: amounts falling due within one year	6	(171,437)	(143,467)
Net current assets		<u>35,424</u>	<u>61,821</u>
Total assets less current liabilities		<u>38,343</u>	<u>64,212</u>
Provisions for liabilities			
Deferred tax	7	(490)	(435)
		<u>(490)</u>	<u>(435)</u>
Net assets		<u><u>37,853</u></u>	<u><u>63,777</u></u>
Capital and reserves			
Called up share capital	8	10	10
Profit and loss account		37,843	63,767
		<u>37,853</u>	<u>63,777</u>

PAPERWAITS LIMITED
REGISTERED NUMBER: 08816925

BALANCE SHEET (CONTINUED)
AS AT 31 JANUARY 2019

The Director considers 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 Companies Act 2006.

The Director acknowledges his 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 income and retained earnings 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 28 August 2019.

J Waits
Director

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

1. General information

The Company is a private company, limited by shares, incorporated and domiciled in England within the United Kingdom, registration number 08816925. The Company's registered office is 142 High Street, Harborne, Birmingham, B17 9NN.

The financial statements are presented in sterling which is the functional currency of the company and the financial statements are rounded to the nearest £1.

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.

Cash flow

Under Financial Reporting Standard 102, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it qualifies as a small company.

The following principal accounting policies have been applied:

2.2 Going concern

The Director has prepared the accounts on a going concern basis.

2.3 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

2. Accounting policies (continued)

2.4 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.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings 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.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 February 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.6 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.7 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 Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019**

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 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, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	33.33%	Straight line
Motor vehicles	-	33.33%	Straight line
Fixtures and fittings	-	33.33%	Straight line
Office equipment	-	33.33%	Straight line

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 Income and Retained Earnings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

2. Accounting policies (continued)

2.10 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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 profit or loss.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.12 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.

2.13 Creditors

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

2.14 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 the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet 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 Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

2. Accounting policies (continued)

2.15 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, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 20 (2018 - 31).

PAPERWAITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

4. Tangible fixed assets

	Motor vehicles	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost or valuation				
At 1 February 2018	5,000	12,947	3,986	21,933
Additions	-	2,400	630	3,030
At 31 January 2019	5,000	15,347	4,616	24,963
Depreciation				
At 1 February 2018	5,000	11,499	3,041	19,540
Charge for the year on owned assets	-	1,542	962	2,504
At 31 January 2019	5,000	13,041	4,003	22,044
Net book value				
At 31 January 2019	-	2,306	613	2,919
At 31 January 2018	-	1,448	944	2,392

PAPERWAITS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

5. Debtors

	2019 £	2018 £
Trade debtors	(529)	-
Other debtors	-	2,489
Prepayments and accrued income	14,085	13,754
	<u>13,556</u>	<u>16,243</u>

6. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	63,299	58,408
Corporation tax	10,899	38,999
Other taxation and social security	30,716	30,177
Other creditors	62,631	1,681
Accruals and deferred income	3,892	14,202
	<u>171,437</u>	<u>143,467</u>

7. Deferred taxation

	2019 £
At beginning of year	435
Charged to profit or loss	55
Utilised in year	-
At end of year	<u>490</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	489	435
	<u>489</u>	<u>435</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2019

8. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
9 (2018 - 9) Ordinary 'A' shares of £1.00 each	9	9
1 (2018 - 1) Ordinary 'B' share of £1.00	1	1
	<hr/>	<hr/>
	10	10

9. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Contributions totalling £853 (2018 - £203) were payable to the fund at the balance sheet date and are included in creditors.

10. Other financial commitments

The company had total commitments at the balance sheet date of £73,792 (2017 - £137,792).

11. Related party transactions

At 31 January 2019 amounts of £53,300 (2018 - £2,489 debtor) were due to the director of the company.

Loans are interest free and repayable on demand.