
DECORWISE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

DECORWISE LIMITED
REGISTERED NUMBER:10738095

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	-	2,000
Tangible assets	5	23,641	30,220
		<u>23,641</u>	<u>32,220</u>
Current assets			
Stocks	6	2,000	2,000
Debtors	7	181,374	208,492
Cash at bank and in hand	8	24,935	65,128
		<u>208,309</u>	<u>275,620</u>
Creditors: amounts falling due within one year	9	(129,873)	(186,118)
Net current assets		<u>78,436</u>	<u>89,502</u>
Total assets less current liabilities		<u>102,077</u>	<u>121,722</u>
Creditors: amounts falling due after more than one year	10	(98,743)	(121,615)
Net assets		<u>3,334</u>	<u>107</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		3,332	105
Shareholders' funds		<u>3,334</u>	<u>107</u>

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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 the 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 25 May 2022.

Mr A Kloss

Director

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. General information

The Company is incorporated in England and Wales and is limited by shares. The registered office is located at Yew Tree House, Lewes Road, Forest Row, East Sussex, RH18 5AA.

The Company's principal activity continues to be that of painting and decorating services.

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 members have agreed to the preparation of abridged accounts for this accounting period in accordance with Section 444(2A) of the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 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 and value added tax. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.3 Intangible assets****Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of income and retained earnings over its useful economic life.

Other 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.

2.4 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:

Motor vehicles	-	25%	reducing balance
Office equipment	-	25%	reducing balance
Other fixed assets	-	25%	reducing balance

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 profit or loss.

2.5 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.6 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.

2.7 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.

2.8 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2.9 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.

2.10 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 income and retained earnings in the same period as the related expenditure.

2.11 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)**2.12 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.

2.13 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

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

2.15 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.16 Taxation

Tax is recognised in profit or loss 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.

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2021 -2).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2021	10,000
At 31 March 2022	<u>10,000</u>
Amortisation	
At 1 April 2021	8,000
Charge for the year on owned assets	2,000
At 31 March 2022	<u>10,000</u>
Net book value	
At 31 March 2022	<u><u>-</u></u>
At 31 March 2021	<u><u>2,000</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. Tangible fixed assets

	Motor vehicles	Office equipment	Other fixed assets	Total
	£	£	£	£
Cost or valuation				
At 1 April 2021	43,890	3,542	1,841	49,273
Additions	-	1,303	-	1,303
At 31 March 2022	43,890	4,845	1,841	50,576
Depreciation				
At 1 April 2021	16,908	1,788	357	19,053
Charge for the year on owned assets	2,296	765	371	3,432
Charge for the year on financed assets	4,450	-	-	4,450
At 31 March 2022	23,654	2,553	728	26,935
Net book value				
At 31 March 2022	20,236	2,292	1,113	23,641
At 31 March 2021	26,982	1,754	1,484	30,220

6. Stocks

	2022 £	2021 £
Raw materials and consumables	2,000	2,000
	<u>2,000</u>	<u>2,000</u>

7. Debtors

	2022 £	2021 £
Trade debtors	97,373	12,136
Other debtors	82,186	195,347
Prepayments and accrued income	1,815	1,009
	<u>181,374</u>	<u>208,492</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	24,935	65,128
Less: bank overdrafts	(10,207)	(14,002)
	<u>14,728</u>	<u>51,126</u>

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	10,207	14,002
Bank loans	21,905	12,084
Trade creditors	300	21,688
Corporation tax	28,116	43,051
Other taxation and social security	54,598	86,639
Obligations under finance lease and hire purchase contracts	5,898	5,898
Other creditors	5,961	429
Accruals and deferred income	2,888	2,327
	<u>129,873</u>	<u>186,118</u>

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

	2022 £	2021 £
Bank loans	88,227	104,848
Net obligations under finance leases and hire purchase contracts	10,516	16,767
	<u>98,743</u>	<u>121,615</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	<u>21,905</u>	<u>12,084</u>
	<u>21,905</u>	<u>12,084</u>
Amounts falling due 1-2 years		
Bank loans	<u>35,399</u>	<u>28,751</u>
	<u>35,399</u>	<u>28,751</u>
Amounts falling due 2-5 years		
Bank loans	<u>52,828</u>	<u>76,097</u>
	<u>52,828</u>	<u>76,097</u>
	<u><u>110,132</u></u>	<u><u>116,932</u></u>

12. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	5,898	5,898
Between 1-5 years	<u>10,516</u>	<u>16,767</u>
	<u><u>16,414</u></u>	<u><u>22,665</u></u>

13. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u><u>24,935</u></u>	<u><u>65,128</u></u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. 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. The pension cost charge represents contributions payable by the Company to the fund and amounted to £2,560 (2021 - £67). Contributions totalling £420 (2021 - £23) were payable to the fund at the balance sheet date and are included in creditors.

15. Transactions with directors

Included in other debtors due within one year is a loan to the director, Mr A Kloss amounting to £60,043 (2021 - £136,111). Interest has been charged at the H.M. Revenue and Customs official rate.

16. Related party transactions

The director Mr A Kloss is also a director and shareholder in Gutterwise Ltd, a UK registered company. During the year net loans amounting to £NIL (2021 - £5,000) were made to Gutterwise Ltd. At the year end an amount of £2,629 (2021 - £5,000) included in other debtors due within one year, were due from Gutterwise Ltd.

17. Controlling party

The Company was controlled throughout the current and previous period by its director, Mr A Kloss, by virtue of the fact that he controls all of the Company's ordinary issued share capital.

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.