

Financial Statements
For The Year Ended 31 March 2023
for
Cosmos Decorators Limited

Cahill Jack Associates Limited
91 Alexander Street
Airdrie
North Lanarkshire
ML6 0BD

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For The Year Ended 31 March 2023**

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Cosmos Decorators Limited

**Company Information
For The Year Ended 31 March 2023**

DIRECTORS:

Mr M J H Kitson
Mr J Hunter
Mr M McNeil

SECRETARY:

Mr M J H Kitson

REGISTERED OFFICE:

Albany House
580 Lawmoor Street
Glasgow
Strathclyde
G5 0TX

REGISTERED NUMBER:

SC052665 (Scotland)

ACCOUNTANTS:

Cahill Jack Associates Limited
91 Alexander Street
Airdrie
North Lanarkshire
ML6 0BD

BANKERS:

The Royal Bank of Scotland
10 Gordon Street
Glasgow
G1 3PL

SOLICITORS:

Turcan Connell
180 St Vincent Street
Glasgow
G2 5SG

Cosmos Decorators Limited (Registered number: SC052665)**Balance Sheet
31 March 2023**

	Notes	31.3.23 £	£	31.3.22 £	£
FIXED ASSETS					
Tangible assets	4		56,398		24,936
CURRENT ASSETS					
Stocks		60,725		30,194	
Debtors	5	207,443		216,097	
Cash at bank and in hand		<u>34,488</u>		<u>43,948</u>	
		302,656		290,239	
CREDITORS					
Amounts falling due within one year	6	<u>148,791</u>		<u>210,323</u>	
NET CURRENT ASSETS			<u>153,865</u>		<u>79,916</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			210,263		104,852
CREDITORS					
Amounts falling due after more than one year	7		(58,477)		(33,333)
PROVISIONS FOR LIABILITIES			<u>(8,790)</u>		<u>(2,689)</u>
NET ASSETS			<u>142,996</u>		<u>68,830</u>
CAPITAL AND RESERVES					
Called up share capital			12,237		12,237
Share premium			25,650		25,650
Capital redemption reserve			35,206		35,206
Retained earnings			<u>69,903</u>		<u>(4,263)</u>
SHAREHOLDERS' FUNDS			<u>142,996</u>		<u>68,830</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 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
- (b) 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.

Balance Sheet - continued
31 March 2023

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 30 November 2023 and were signed on its behalf by:

Mr M J H Kitson - Director

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

1. STATUTORY INFORMATION

Cosmos Decorators Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The company's presentational currency is pounds sterling.

Significant judgements and estimates

The preparation of financial information in compliance with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The directors have identified the following areas which give rise to estimation uncertainty:

1) Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and any residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account.

2) Valuation of stock and work in progress requires estimations for provisions against old and obsolete items and amounts receivable.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Turnover

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 value added tax and any other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from 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;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from agreement to provide services is recognised in the period in which the services are provided 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 agreement.

**Notes to the Financial Statements - continued
For The Year Ended 31 March 2023**

2. ACCOUNTING POLICIES - continued

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	- 20% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

The company adds to the carrying amount of an item of fixed asset the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. Any carrying amount of the replaced part is written off. Repairs and maintenance are charged to the profit and loss during the year in which they are incurred except for any parts unused at the year end. Asset residual values, useful lives and depreciation methods of relevant assets are reviewed, and adjusted prospectively if appropriate. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and recognised in the profit and loss during the year of disposal.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Stocks and work in progress 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.

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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

**Notes to the Financial Statements - continued
For The Year Ended 31 March 2023**

2. ACCOUNTING POLICIES - continued

Financial instruments and other

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors, bank loans, directors' loans and forward currency contracts (derivatives).

Any bank loans are initially measured at the present value of future payments, discounted at a market rate of interest, and subsequently at amortised cost using the effective interest method. Directors' loans (being repayable on demand), trade debtors and trade creditors are measured at the undiscounted amount of the cash or other consideration expected to be paid or received. Forward currency contracts are derivative financial instruments. They are measured at fair value. Gains and losses arising from changes in the fair value of derivative financial instruments are included in the profit or loss in the period in which they arise.

Financial assets that are measured at amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate 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.

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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Holiday pay

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

Investments

Investments are included at fair value.

Liquid resources

Monetary amounts held on short term deposits are included within current asset investments.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 9 (2022 - 12) .

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2022	163,123	79,965	103,207	346,295
Additions	-	-	54,624	54,624
Disposals	-	-	(65,585)	(65,585)
At 31 March 2023	<u>163,123</u>	<u>79,965</u>	<u>92,246</u>	<u>335,334</u>
DEPRECIATION				
At 1 April 2022	163,099	79,965	78,295	321,359
Charge for year	24	-	11,185	11,209
Eliminated on disposal	-	-	(53,632)	(53,632)
At 31 March 2023	<u>163,123</u>	<u>79,965</u>	<u>35,848</u>	<u>278,936</u>
NET BOOK VALUE				
At 31 March 2023	<u>-</u>	<u>-</u>	<u>56,398</u>	<u>56,398</u>
At 31 March 2022	<u>24</u>	<u>-</u>	<u>24,912</u>	<u>24,936</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Trade debtors	145,083	188,465
Amounts owed by participating interests	53,000	18,000
VAT	3,947	8,032
Prepayments and accrued income	<u>5,413</u>	<u>1,600</u>
	<u>207,443</u>	<u>216,097</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Bank loans and overdrafts	10,000	10,000
Hire purchase contracts	12,406	-
Trade creditors	77,944	134,130
Tax	35,253	18,039
Social security and other taxes	5,300	11,696
Other creditors	4,022	6,444
Accruals and deferred income	<u>3,866</u>	<u>30,014</u>
	<u>148,791</u>	<u>210,323</u>

**Notes to the Financial Statements - continued
For The Year Ended 31 March 2023**

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.23	31.3.22
	£	£
Bank loans - 2-5 years	23,333	33,333
Hire purchase contracts	35,144	-
	<u>58,477</u>	<u>33,333</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.23	31.3.22
	£	£
Bank loans	33,333	43,333
Hire purchase contracts	47,550	-
	<u>80,883</u>	<u>43,333</u>

The bank loan is supported by a 100% guarantee from the UK Government.

HP Creditors are secured against the assets concerned.

9. RELATED PARTY DISCLOSURES AND TRANSACTIONS WITH DIRECTORS

During the year, total dividends of £99,400 (2022 - £37,000) were paid to the directors .

Cosmos Decorators Limited was charged rent for the property at £40,000 for the year by Cosmos Properties Limited. Both companies have common shareholders.

Included within debtors due within one year is an amount of £53,000 (2022 - £18,000) due from Cosmos Properties Limited. The company wrote off loans of £nil (2022 - £102,704) with Cosmos Properties Limited during the year.

10. ULTIMATE CONTROLLING PARTY

Mr M J H Kitson as the majority shareholder is considered to be the ultimate controlling party of the company.

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.