

REGISTERED NUMBER: 04924776 (England and Wales)

Unaudited Financial Statements for the Year Ended 31 December 2018

for

Contemporary Franchising Ltd

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for the Year Ended 31 December 2018**

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Contemporary Franchising Ltd
Company Information
for the Year Ended 31 December 2018

DIRECTORS: A Simpson
Mrs K Storr-Simpson

SECRETARY: A Simpson

REGISTERED OFFICE: 136 Marton Road
Middlesbrough
Cleveland
TS1 2ED

REGISTERED NUMBER: 04924776 (England and Wales)

ACCOUNTANTS: APC Accountancy
Chartered Accountants
Queens Court Business Centre
Newport Road
Middlesbrough
TS1 5EH

Balance Sheet
31 December 2018

| | Notes | 31.12.18 £ | £ | 31.12.17 £ | £ |
|--|-------|----------------|----------------|----------------|----------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 4 | | 18,750 | | 33,750 |
| Tangible assets | 5 | | <u>566,225</u> | | <u>571,688</u> |
| | | | 584,975 | | 605,438 |
| CURRENT ASSETS | | | | | |
| Stocks | | 3,150 | | 3,200 | |
| Debtors | 6 | 16,087 | | 18,294 | |
| Cash at bank and in hand | | <u>917,984</u> | | <u>705,208</u> | |
| | | 937,221 | | 726,702 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 7 | <u>446,749</u> | | <u>379,233</u> | |
| NET CURRENT ASSETS | | | <u>490,472</u> | | <u>347,469</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 1,075,447 | | 952,907 |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 8 | | (217,148) | | (217,148) |
| PROVISIONS FOR LIABILITIES | 9 | | <u>(3,801)</u> | | <u>(4,957)</u> |
| NET ASSETS | | | <u>854,498</u> | | <u>730,802</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | | | 2 | | 2 |
| Retained earnings | | | <u>854,496</u> | | <u>730,800</u> |
| SHAREHOLDERS' FUNDS | | | <u>854,498</u> | | <u>730,802</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2018 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.

Balance Sheet - continued
31 December 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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

The financial statements were approved by the Board of Directors on 18 September 2019 and were signed on its behalf by:

A Simpson - Director

Mrs K Storr-Simpson - Director

**Notes to the Financial Statements
for the Year Ended 31 December 2018**

1. STATUTORY INFORMATION

Contemporary Franchising Ltd 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.

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.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced for goods and services during the year, exclusive of Value Added Tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of ten 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 - 10% on cost

Stocks

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

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.

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 10 (2017 - 10) .

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

4. INTANGIBLE FIXED ASSETS

| | Goodwill £ |
|---|----------------|
| COST | |
| At 1 January 2018 and 31 December 2018 | <u>150,000</u> |
| AMORTISATION | |
| At 1 January 2018 | 116,250 |
| Charge for year | <u>15,000</u> |
| At 31 December 2018 | <u>131,250</u> |
| NET BOOK VALUE | |
| At 31 December 2018 | <u>18,750</u> |
| At 31 December 2017 | <u>33,750</u> |

5. TANGIBLE FIXED ASSETS

| | Land and buildings £ | Plant and machinery etc £ | Totals £ |
|---|----------------------------|------------------------------------|----------------|
| COST | | | |
| At 1 January 2018 and 31 December 2018 | <u>544,759</u> | <u>56,804</u> | <u>601,563</u> |
| DEPRECIATION | | | |
| At 1 January 2018 | - | 29,875 | 29,875 |
| Charge for year | - | <u>5,463</u> | <u>5,463</u> |
| At 31 December 2018 | - | <u>35,338</u> | <u>35,338</u> |
| NET BOOK VALUE | | | |
| At 31 December 2018 | <u>544,759</u> | <u>21,466</u> | <u>566,225</u> |
| At 31 December 2017 | <u>544,759</u> | <u>26,929</u> | <u>571,688</u> |

The freehold properties held by the company have been valued on an open market basis at 31.12.18 by the directors.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.12.18 £ | 31.12.17 £ |
|---------------|---------------|---------------|
| Trade debtors | 14,830 | 17,870 |
| Other debtors | <u>1,257</u> | <u>424</u> |
| | <u>16,087</u> | <u>18,294</u> |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 31.12.18 | 31.12.17 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 4,368 | 6,214 |
| Taxation and social security | 26,164 | 6,088 |
| Other creditors | 416,217 | 366,931 |
| | <u>446,749</u> | <u>379,233</u> |

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

| | 31.12.18 | 31.12.17 |
|-----------------|----------------|----------------|
| | £ | £ |
| Other creditors | <u>217,148</u> | <u>217,148</u> |

9. **PROVISIONS FOR LIABILITIES**

| | 31.12.18 | 31.12.17 |
|-----------------------------|--------------|--------------|
| | £ | £ |
| Deferred tax | <u>3,801</u> | <u>4,957</u> |
| | | Deferred tax |
| | | £ |
| Balance at 1 January 2018 | | 4,957 |
| Timing differences | | (1,156) |
| Balance at 31 December 2018 | | <u>3,801</u> |

10. **RELATED PARTY DISCLOSURES**

Mr A Simpson and Mrs K Storr-Simpson are also directors of Contemporary Salons Limited.

As at 31 December 2018 the company owed Contemporary Salons Limited £242,942 (2017: £215,266).

As at 31st December 2018 the company owed its directors £365,805 (2017: £344,504). £217,148 of this is on current and interest is currently being charged at 6% per annum.

11. **ULTIMATE CONTROLLING PARTY**

The company is under the control of its directors during the reporting period.

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.