

Registered number: 07101315

5K Fitness Ltd

Unaudited

Financial statements

Information for filing with the registrar

For the year ended 31 May 2019

Chartered accountants' report to the director on the preparation of the unaudited statutory financial statements of 5K Fitness Ltd for the year ended 31 May 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of 5K Fitness Ltd for the year ended 31 May 2019 which comprise the Balance sheet and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the director of 5K Fitness Ltd in accordance with the terms of our engagement letter dated 31 October 2018. Our work has been undertaken solely to prepare for your approval the financial statements of 5K Fitness Ltd and state those matters that we have agreed to state to the director of 5K Fitness Ltd in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than 5K Fitness Ltd and its director for our work or for this report.

It is your duty to ensure that 5K Fitness Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of 5K Fitness Ltd. You consider that 5K Fitness Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of 5K Fitness Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kreston Reeves LLP

Chartered Accountants

Canterbury

13 February 2020

Balance sheet
As at 31 May 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	123,139	153,924
		<u>123,139</u>	<u>153,924</u>
Current assets			
Debtors: amounts falling due within one year	5	80,624	63,019
Cash at bank and in hand		37,776	46,694
		<u>118,400</u>	<u>109,713</u>
Creditors: amounts falling due within one year	6	(189,151)	(135,647)
Net current liabilities		<u>(70,751)</u>	<u>(25,934)</u>
Total assets less current liabilities		<u>52,388</u>	<u>127,990</u>
Net assets		<u><u>52,388</u></u>	<u><u>127,990</u></u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account		52,288	127,890
		<u>52,388</u>	<u>127,990</u>

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 13 February 2020.

P Singh

Director

The notes on pages 3 to 7 form part of these financial statements.

Notes to the financial statements
For the year ended 31 May 2019

1. General information

5K Fitness Ltd is a private company limited by shares and is incorporated in England with registration number 07101315. The registered office address of the company is Trugym, Dockhead Rd, Chatham Dockside, Kent, England, ME4 4ZL.

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.

These financial statements are rounded to the nearest Pound.

The company's functional and presentational currency is Pounds Sterling.

The following principal accounting policies have been applied:

2.2 Going concern

The director has a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

2.3 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:

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 May 2019

2. Accounting policies (continued)

2.4 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 June 2017 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.5 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.6 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:

Fixtures and fittings	-	20%
Office equipment	-	20%

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.

2.7 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.

2.8 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.

Notes to the financial statements
For the year ended 31 May 2019

2. Accounting policies (continued)

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 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.

Financial assets that are measured at cost and 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 Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.11 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.

3. Employees

The average monthly number of employees, including directors, during the year was 10 (2018 - 12).

Notes to the financial statements
For the year ended 31 May 2019

4. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 June 2018	250,470	92,143	342,613
At 31 May 2019	250,470	92,143	342,613
Depreciation			
At 1 June 2018	119,652	69,037	188,689
Charge for the year on owned assets	26,164	4,621	30,785
At 31 May 2019	145,816	73,658	219,474
Net book value			
At 31 May 2019	104,654	18,485	123,139
At 31 May 2018	130,818	23,106	153,924

5. Debtors

	2019 £	2018 £
Trade debtors	25,059	29,444
Amounts owed by group undertakings	17,739	5,788
Amounts owed by joint ventures and associated undertakings	2,034	-
Other debtors	6,179	-
Prepayments and accrued income	29,613	27,787
	<u>80,624</u>	<u>63,019</u>

Notes to the financial statements
For the year ended 31 May 2019

6. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	-	10,903
Trade creditors	57,621	69,278
Amounts owed to group undertakings	103,410	25,816
Amounts owed to other participating interests	-	287
Other taxation and social security	24,154	23,614
Other creditors	302	217
Accruals and deferred income	3,664	5,532
	<u>189,151</u>	<u>135,647</u>

7. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 (2018 - 100) Ordinary shares of £1 each	<u>100</u>	<u>100</u>

8. Commitments under operating leases

At 31 May 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	82,750	82,750
Later than 1 year and not later than 5 years	13,792	96,542
	<u>96,542</u>	<u>179,292</u>

9. Related party transactions

All related party transactions during the current and prior periods, including key management personnel compensation, were made under normal market conditions.

10. Controlling party

The company is a wholly owned subsidiary of Trugym Ltd, a company incorporated in England and Wales.

The director considers there to be no ultimate controlling party.

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.