

## **Universal Pixels Limited**

### **Financial statements**

for the year ended 31 December 2021

## Statement of financial position

As at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	4		<b>2,408,524</b>		3,126,219
			<b>2,408,524</b>		3,126,219
<b>Current assets</b>					
Debtors: amounts falling due after more than one year	5	<b>98,265</b>		98,265	
Debtors: amounts falling due within one year	5	<b>489,790</b>		173,100	
Cash at bank and in hand		<b>2,628,235</b>		2,368,046	
		<b>3,216,290</b>		2,639,411	
Creditors: amounts falling due within one year		<b>(2,674,957)</b>		(1,544,493)	
<b>Net current assets</b>			<b>541,333</b>		1,094,918
<b>Total assets less current liabilities</b>			<b>2,949,857</b>		4,221,137
Creditors: amounts falling due after more than one year			<b>(1,865,869)</b>		(3,278,064)
<b>Provisions for liabilities</b>					
Deferred tax	6	<b>(165,799)</b>		(215,126)	
			<b>(165,799)</b>		(215,126)
<b>Net assets</b>			<b>918,189</b>		727,947
<b>Capital and reserves</b>					
Called up share capital			<b>265,000</b>		265,000
Profit and loss account			<b>653,189</b>		462,947
			<b>918,189</b>		727,947

## Statement of financial position (continued)

As at 31 December 2021

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 by:

**O C H Luff**

Director

Date: 15 June 2022

The notes on pages 3 to 9 form part of these financial statements.

## Notes to the financial statements

for the year ended 31 December 2021

### 1. General information

Universal Pixels Limited is a private limited company by shares and incorporated in England and Wales. Its registered office and principal place of business is Unit 4 Tring Industrial Estate, Icknield Way, Tring HP23 4JX. The registration number is 10455176.

### 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 Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:

#### 2.2 Going concern

The company has sufficient liquid resources to continue as a going concern for the foreseeable future and the directors believe the company will be able to meet its liabilities as they fall due for at least twelve months from the date of approval of these financial statements.

#### 2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover for the rental of musical equipment is recognised on a straight line basis over the period the goods and services are being provided. The period starts when goods leave the company's warehouse and ends when those goods are returned to the company's warehouse.

#### 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.

## Notes to the financial statements

for the year ended 31 December 2021

### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Plant and machinery	-	33.0%
Fixtures and fittings	-	20.0%
Rental equipment	-	16.7%
Computer equipment	-	33.0%

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 Debtors

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

#### 2.6 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.

#### 2.7 Creditors

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

#### 2.8 Leased assets: the company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 2.9 Government grants

Grants are accounted under the accruals model. 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 profit or loss in the same period as the related expenditure.

#### 2.10 Interest income

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

## Notes to the financial statements

for the year ended 31 December 2021

### 2. Accounting policies (continued)

#### 2.11 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

#### 2.12 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.

#### 2.13 Borrowing costs

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

#### 2.14 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 Statement of financial position. 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 December 2021

### 2. Accounting policies (continued)

#### 2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 reporting 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 reporting 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 reporting date.

#### 2.16 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 profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the reporting 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 Statement of financial position.

### 3. Employees

The average monthly number of employees, including directors, during the year was 15 (2020 -17).

**Notes to the financial statements**

for the year ended 31 December 2021

**4. Tangible fixed assets**

	Rental Equipment £	Fixtures and fittings £	Computer Equipment £	Plant and Machinery £	Total £
<b>Cost or valuation</b>					
At 1 January 2021	5,222,574	298,915	44,299	34,798	5,600,586
Additions	47,861	949	6,519	-	55,329
Disposals	(24,020)	-	(149)	-	(24,169)
At 31 December 2021	5,246,415	299,864	50,669	34,798	5,631,746
<b>Depreciation</b>					
At 1 January 2021	2,362,128	69,879	23,580	18,780	2,474,367
Charge for the year	686,038	59,976	10,957	12,014	768,985
Disposals	(20,043)	-	(87)	-	(20,130)
At 31 December 2021	3,028,123	129,855	34,450	30,794	3,223,222
<b>Net book value</b>					
At 31 December 2021	<u>2,218,292</u>	<u>170,009</u>	<u>16,219</u>	<u>4,004</u>	<u>2,408,524</u>
<b>At 31 December 2020</b>	<u>2,860,446</u>	<u>229,036</u>	<u>20,719</u>	<u>16,018</u>	<u>3,126,219</u>

**Finance leases**

Included within the net book value of tangible fixed assets is £1,651,052 (2020 - £2,322,964) in respect of assets held under finance leases. Depreciation charged in the year on these assets was £556,826 (2020 - £539,767).



**Notes to the financial statements**

for the year ended 31 December 2021

**5. Debtors**

	2021 £	2020 £
<b>Due after more than one year</b>		
Other debtors	<u>98,265</u>	<u>98,265</u>
	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	450,348	117,505
Other debtors	2	-
Prepayments and accrued income	39,440	55,595
	<u>489,790</u>	<u>173,100</u>

**6. Deferred taxation**

	2021 £
At beginning of year	(215,126)
Charged to profit or loss	49,327
<b>At end of year</b>	<u>(165,799)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(262,366)	(267,163)
Tax losses carried forward	87,275	52,037
Short term timing differences	9,292	-
	<u>(165,799)</u>	<u>(215,126)</u>

**7. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £11,688 (2020 - £11,117). Contributions totalling £3,010 (2020 - £3,356) were payable to the funds at the reporting date and are included in creditors.

## Notes to the financial statements

for the year ended 31 December 2021

### 8. Commitments under operating leases

At 31 December 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	81,314	186,213
Later than 1 year and not later than 5 years	15,532	102,820
	<u>96,846</u>	<u>289,033</u>

### 9. Related party transactions

There were no related party transactions identified in the year.

### 10. Controlling party

There is no ultimate controlling party.

### 11. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 16 June 2022 by Simon Wax (Senior statutory auditor) on behalf of Buzzacott LLP.

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.