

FOLIAT ASSOCIATES LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2021

FOLIAT ASSOCIATES LIMITED
REGISTERED NUMBER: 10766396

BALANCE SHEET
AS AT 31 MAY 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	200,000	250,000
Tangible assets	5	953	6,672
		<u>200,953</u>	<u>256,672</u>
Current assets			
Stocks	6	99,557	36,852
Debtors: amounts falling due within one year	7	58,466	32,666
Cash at bank and in hand	8	-	43,614
		<u>158,023</u>	<u>113,132</u>
Creditors: amounts falling due within one year	9	(308,450)	(271,953)
Net current liabilities		<u>(150,427)</u>	<u>(158,821)</u>
Total assets less current liabilities		<u>50,526</u>	<u>97,851</u>
Creditors: amounts falling due after more than one year	10	(40,000)	(50,000)
Net assets		<u><u>10,526</u></u>	<u><u>47,851</u></u>
Capital and reserves			
Called up share capital	13	1,000	1,000
Profit and loss account		9,526	46,851
		<u><u>10,526</u></u>	<u><u>47,851</u></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 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 comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

FOLIAT ASSOCIATES LIMITED
REGISTERED NUMBER: 10766396

BALANCE SHEET (CONTINUED)
AS AT 31 MAY 2021

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
D G Franklin
Director

Date: 31 May 2022

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

FOLIAT ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MAY 2021

1. General information

Foliat Associates Limited is a private company, limited by share capital and incorporated in England and Wales.

The company's registered office address is The Vicarage, Chilton Foliat, Hungerford, Berkshire, RG17 0TF.

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 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, 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.

2.3 Operating leases

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

2.4 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 Comprehensive Income in the same period as the related expenditure.

2.5 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 ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021

2. Accounting policies (continued)

2.6 Borrowing costs

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

2.7 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 balance sheet 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 balance sheet 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 balance sheet date.

2.8 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 Comprehensive Income 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.

2.9 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.

FOLIAT ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MAY 2021

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	-	25%
Fixtures and fittings	-	25%
Office equipment	-	25%
Computer equipment	-	25%

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.

2.10 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. Work in progress and finished goods include labour and attributable overheads.

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.

2.11 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.

2.12 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.

2.13 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.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021

2. Accounting policies (continued)

2.14 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 balance sheet 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 Balance Sheet.

2.15 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.

2.16 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.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2020 - 3).

FOLIAT ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021

4. Intangible assets

	Goodwill £
Cost	
At 1 June 2020	400,000
At 31 May 2021	400,000
Amortisation	
At 1 June 2020	150,000
Charge for the year on owned assets	50,000
At 31 May 2021	200,000
Net book value	
At 31 May 2021	200,000
At 31 May 2020	250,000

FOLIAT ASSOCIATES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021**

5. Tangible fixed assets

	Motor vehicles	Fixtures and fittings	Office equipment	Computer equipment	Total
	£	£	£	£	£
Cost or valuation					
At 1 June 2020	9,819	3,876	272	8,910	22,877
At 31 May 2021	9,819	3,876	272	8,910	22,877
Depreciation					
At 1 June 2020	6,955	2,746	193	6,311	16,205
Charge for the year on owned assets	2,455	969	68	2,227	5,719
At 31 May 2021	9,410	3,715	261	8,538	21,924
Net book value					
At 31 May 2021	409	161	11	372	953
At 31 May 2020	2,864	1,130	79	2,599	6,672

6. Stocks

	2021 £	2020 £
Work in progress (goods to be sold)	99,557	36,852
	<u>99,557</u>	<u>36,852</u>

7. Debtors

	2021 £	2020 £
Trade debtors	25,216	19,992
Other debtors	28,350	9,610
Deferred taxation	4,900	3,064
	<u>58,466</u>	<u>32,666</u>

FOLIAT ASSOCIATES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021**

8. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	-	43,614
Less: bank overdrafts	(70,427)	-
	<u>(70,427)</u>	<u>43,614</u>

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	70,427	-
Bank loans	10,000	-
Trade creditors	15,779	21,736
Corporation tax	3,662	17,023
Other taxation and social security	44,756	41,733
Other creditors	130,818	158,453
Accruals and deferred income	33,008	33,008
	<u>308,450</u>	<u>271,953</u>

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

	2021 £	2020 £
Bank loans	40,000	50,000
	<u>40,000</u>	<u>50,000</u>

FOLIAT ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021

11. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	10,000	-
Amounts falling due 1-2 years		
Bank loans	10,000	10,000
Amounts falling due 2-5 years		
Bank loans	30,000	40,000
	<u>50,000</u>	<u>50,000</u>

12. Deferred taxation

	2021 £	2020 £
At beginning of year	3,064	-
Charged to profit or loss	1,836	3,064
At end of year	<u>4,900</u>	<u>3,064</u>

The deferred tax asset is made up as follows:

	2021 £	2020 £
Fixed asset differences	2,320	1,104
Short term timing differences	2,580	1,960
	<u>4,900</u>	<u>3,064</u>

13. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
750 (2020 - 750) Ordinary A shares of £1.00 each	750	750
250 (2020 - 250) Ordinary B shares of £1.00 each	250	250
	<u>1,000</u>	<u>1,000</u>

FOLIAT ASSOCIATES LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2021**

14. Related party transactions

At the year end the company was owed £28,350 by its director (2020: £13,614 owed to the director by the company).

15. Controlling party

The company is controlled by its director, by virtue of his majority shareholding.

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.