

IMAGINATIVES GROUP LIMITED

Filleted Annual Report and Unaudited Financial Statements
for the Year Ended 30 June 2020



Imaginatives Group Limited

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Imaginatives Group Limited

Company Information

| | |
|--------------------------|---|
| Directors | P. Booth J. R. K. Glen C. R. W. Edwards H. J. Bradbury P. J. Coward |
| Registered office | Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS |
| Bankers | NatWest 16 Northumberland Street Newcastle upon Tyne NE1 7EL |
| Accountants | MHA Tait Walker Chartered Accountants Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS |

Imaginatives Group Limited

(Registration number: 09429187)

Statement of Financial Position as at 30 June 2020

| | Note | 2020 £ | 2019 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 22,101 | 8,378 |
| Current assets | | | |
| Debtors | 5 | 598,123 | 100,631 |
| Cash at bank and in hand | | <u>88,696</u> | <u>796,670</u> |
| | | 686,819 | 897,301 |
| Creditors: Amounts falling due within one year | 6 | <u>(670,357)</u> | <u>(897,293)</u> |
| Net current assets | | <u>16,462</u> | <u>8</u> |
| Total assets less current liabilities | | 38,563 | 8,386 |
| Creditors: Amounts falling due after more than one year | 6 | (50,000) | - |
| Provisions for liabilities | | <u>(2,295)</u> | <u>-</u> |
| Net (liabilities)/assets | | <u>(13,732)</u> | <u>8,386</u> |
| Capital and reserves | | | |
| Called up share capital | | 10,000 | 10,000 |
| Profit and loss account | | <u>(23,732)</u> | <u>(1,614)</u> |
| Total equity | | <u>(13,732)</u> | <u>8,386</u> |

For the financial year ending 30 June 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.


Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies' regime and the option not to file the Income Statement has been taken.

Approved and authorised by the Board on 1/6/21 and signed on its behalf by:


.....
H. J. Bradbury
Director

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

Imaginatives Group Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Bulman House, Regent Centre, Gosforth, Newcastle upon Tyne, NE3 3LS.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

At the statement of financial position date the company had net liabilities of £13,732. The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future.

The company meets its day to day working capital requirements through cash generated from operations. The directors have assessed the potential impact of the COVID-19 virus and the financial impact on the company and have developed a business continuity plan should the impact of the pandemic widen.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing these financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

If the use of the going concern basis proved to be invalid, the financial statements would have to be prepared on a break up basis in which would be restated to include all assets at estimated realisable value and all liabilities would become current and would have to be increased to include those liabilities contingent on the company ceasing to trade.

Imaginatives Group Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020 (continued)

2 Accounting policies (continued)

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|-----------------------|-------------------------------------|
| Office equipment | 20% straight line |
| Fixtures and fittings | 15% straight line |

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Imaginatives Group Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020 (continued)

2 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 3 (2019 - 2).

Imaginatives Group Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020 (continued)

4 Tangible assets

| | Fixtures and fittings £ | Office equipment £ | Total £ |
|--------------------------|----------------------------|-----------------------|------------|
| Cost or valuation | | | |
| At 1 July 2019 | - | 13,329 | 13,329 |
| Additions | 4,172 | 20,758 | 24,930 |
| Disposals | - | (939) | (939) |
| At 30 June 2020 | 4,172 | 33,148 | 37,320 |
| Depreciation | | | |
| At 1 July 2019 | - | 4,951 | 4,951 |
| Charge for the year | 469 | 9,815 | 10,284 |
| Eliminated on disposal | - | (16) | (16) |
| At 30 June 2020 | 469 | 14,750 | 15,219 |
| Carrying amount | | | |
| At 30 June 2020 | 3,703 | 18,398 | 22,101 |
| At 30 June 2019 | - | 8,378 | 8,378 |

5 Debtors

| | 2020 £ | 2019 £ |
|-------------------------|----------------|----------------|
| Trade debtors | 436,072 | - |
| Directors loan accounts | 143,933 | 76,219 |
| Other debtors | 18,118 | 24,412 |
| | <u>598,123</u> | <u>100,631</u> |

Imaginatives Group Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2020 (continued)

6 Creditors

Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------|----------------|----------------|
| Due within one year | | |
| Trade creditors | 2,080 | - |
| Taxation and social security | 16,944 | 11,155 |
| Accruals and deferred income | 645,407 | 886,138 |
| Other creditors | 5,926 | - |
| | <u>670,357</u> | <u>897,293</u> |

Creditors: amounts falling due after more than one year

| | Note | 2020 £ | 2019 £ |
|---------------------------|------|---------------|-----------|
| Due after one year | | | |
| Loans and borrowings | 7 | <u>50,000</u> | <u>-</u> |

7 Loans and borrowings

| | 2020 £ | 2019 £ |
|---|---------------|-----------|
| Non-current loans and borrowings | | |
| Bank borrowings | <u>50,000</u> | <u>-</u> |

8 Related party transactions

Transactions with directors

| | At 1 July 2019 £ | Advances to directors £ | Repayments by director £ | At 30 June 2020 £ |
|-------------------------|------------------------|--|---|----------------------------------|
| 2020 | | | | |
| H. J. Bradbury | | | | |
| Director's loan account | <u>76,219</u> | <u>142,360</u> | <u>(74,646)</u> | <u>143,933</u> |
| | | Advances to directors £ | Repayments by director £ | At 30 June 2019 £ |
| 2019 | | | | |
| H. J. Bradbury | | | | |
| Director's loan account | | <u>222,904</u> | <u>(146,685)</u> | <u>76,219</u> |