

ABSOLUTE CANVAS LIMITED
Unaudited Financial Statements
For the financial year ended 30 April 2021
Pages for filing with the registrar

ABSOLUTE CANVAS LIMITED
UNAUDITED FINANCIAL STATEMENTS
For the financial year ended 30 April 2021

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ABSOLUTE CANVAS LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30 April 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	3	15,400	17,600
Tangible assets	4	646,227	541,469
		661,627	559,069
Current assets			
Stocks		13,724	12,361
Debtors	5	14,481	4,681
Cash at bank and in hand		14,540	805
		42,745	17,847
Creditors			
Amounts falling due within one year	6	(567,463)	(558,251)
Net current liabilities		(524,718)	(540,404)
Total assets less current liabilities		136,909	18,665
Creditors			
Amounts falling due after more than one year	7	(93,679)	(11,196)
Provisions for liabilities		(32,727)	(11,286)
Net assets/(liabilities)		10,503	(3,817)
Capital and reserves			
Called-up share capital	8	100	100
Revaluation reserve		20,815	20,815
Profit and loss account		(10,412)	(24,732)
Total shareholders' funds/(deficit)		10,503	(3,817)

For the financial year ending 30 April 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The member has not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- The director acknowledges their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Absolute Canvas Limited (registered number: 10605190) were approved and authorised for issue by the Director on 02 December 2021. They were signed on its behalf by:

ABSOLUTE CANVAS LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
As at 30 April 2021

Mrs T Finch
Director

ABSOLUTE CANVAS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 April 2021

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year.

General information and basis of accounting

Absolute Canvas Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is Higher Argal Farm, Budock Water, Falmouth, Cornwall, TR11 5PE, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

The functional currency of Absolute Canvas Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Going concern

The director has assessed the Statement of Financial Position and likely future cash flows at the date of approving these financial statements. The director has a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where a contract has only been partially completed at the Statement of Financial Position date turnover represents the fair value of the service provided to date based on the stage of completion of the contract activity at the Statement of Financial Position date. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Statement of Financial Position date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax assets and liabilities are not discounted.

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 over its useful economic life of 10 years.

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Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a reducing balance basis over its expected useful life, as follows:

Plant and machinery - 15%, 10% and 5% reducing balance
Motor vehicles - 10% reducing balance

Leases

The Company as lessee

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the Statement of Income and Retained Earnings over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Statement of Financial Position date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Income and Retained Earnings as described below.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts, except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

ABSOLUTE CANVAS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 April 2021

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through the Statement of Income and Retained Earnings, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset in the Statement of Financial Position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

ABSOLUTE CANVAS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 April 2021

2. Employees

	2021	2020
	Number	Number
Monthly average number of persons employed by the Company during the year, including the director	4	13

3. Intangible assets

	Goodwill	Total
	£	£
Cost		
At 01 May 2020	22,000	22,000
At 30 April 2021	22,000	22,000
Accumulated amortisation		
At 01 May 2020	4,400	4,400
Charge for the financial year	2,200	2,200
At 30 April 2021	6,600	6,600
Net book value		
At 30 April 2021	15,400	15,400
At 30 April 2020	17,600	17,600

4. Tangible assets

	Leasehold improve- ments	Plant and machinery	Vehicles	Total
	£	£	£	£
Cost				
At 01 May 2020	1,741	545,057	67,700	614,498
Additions	0	136,460	57,716	194,176
Disposals	0	(39,698)	(8,400)	(48,098)
At 30 April 2021	1,741	641,819	117,016	760,576
Accumulated depreciation				
At 01 May 2020	0	63,825	9,204	73,029
Charge for the financial year	0	32,738	10,178	42,916
Disposals	0	0	(1,596)	(1,596)
At 30 April 2021	0	96,563	17,786	114,349
Net book value				
At 30 April 2021	1,741	545,256	99,230	646,227
At 30 April 2020	1,741	481,232	58,496	541,469

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5. Debtors

	2021	2020
	£	£
Trade debtors	2,098	0
Prepayments	5,874	4,681
Other debtors	6,509	0
	14,481	4,681

6. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	5,600	4,892
Trade creditors	33,271	17,703
Other creditors	298,425	442,870
Accruals and deferred income	178,457	51,451
Other taxation and social security	32,063	25,070
Obligations under finance leases and hire purchase contracts (secured)	19,647	16,265
	567,463	558,251

Obligations under finance leases and hire purchase contracts of £19,647 (2020: £16,265) are secured over the assets to which they relate.

7. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans	44,400	0
Obligations under finance leases and hire purchase contracts (secured)	49,279	11,196
	93,679	11,196

Obligations under finance leases and hire purchase contracts of £49,279 (2020: £11,196) are secured over the assets to which they relate.

8. Called-up share capital

	2021	2020
	£	£
Allotted, called-up and fully-paid		
100 Ordinary shares of £ 1.00 each	100	100

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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.