

COMPANY REGISTRATION NUMBER: 2567192

**Papercraft Disposables Limited**  
**Filleted Unaudited Financial Statements**  
**31 December 2018**

# Papercraft Disposables Limited

## Statement of Financial Position

31 December 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	5	34,600	28,000
Tangible assets	6	37,518	47,976
		72,118	75,976
<b>Current assets</b>			
Stocks		95,889	91,521
Debtors	7	84,298	86,501
Cash at bank and in hand		32,595	28,491
		212,782	206,513
<b>Creditors: amounts falling due within one year</b>	8	176,392	150,120
<b>Net current assets</b>		36,390	56,393
<b>Total assets less current liabilities</b>		108,508	132,369
<b>Creditors: amounts falling due after more than one year</b>	9	26,967	35,677
<b>Provisions</b>			
Taxation including deferred tax		8,028	9,115
<b>Net assets</b>		73,513	87,577
<b>Capital and reserves</b>			
Called up share capital		20,000	20,000
Profit and loss account		53,513	67,577
<b>Shareholder funds</b>		73,513	87,577

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

# **Papercraft Disposables Limited**

## **Statement of Financial Position** *(continued)*

**31 December 2018**

These financial statements were approved by the board of directors and authorised for issue on 23 September 2019 , and are signed on behalf of the board by:

Mr M Z Shah

Director

Mr S M Shah

Director

Company registration number: 2567192

# Papercraft Disposables Limited

## Notes to the Financial Statements

### Year ended 31 December 2018

#### 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 11 Greenhill Crescent, Watford Business Park, Watford, WD18 8QU.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### 3. Accounting policies

##### Basis of preparation

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

##### Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

##### Income tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

##### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	Over 5 years
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

## **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Vehicles	-	25% straight line
Equipment	-	25% straight line

### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

**Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

**Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

**Financial instruments**

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 entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### 4. Employee numbers

The average number of persons employed by the company during the year amounted to 8 (2017: 8 ).

#### 5. Intangible assets

	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2018	<b>35,000</b>
Additions	<b>17,000</b>
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<b>At 31 December 2018</b>	<b>52,000</b>
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<b>Amortisation</b>	
At 1 January 2018	<b>7,000</b>
Charge for the year	<b>10,400</b>
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<b>At 31 December 2018</b>	<b>17,400</b>
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<b>Carrying amount</b>	
<b>At 31 December 2018</b>	<b>34,600</b>
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At 31 December 2017	<b>28,000</b>
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#### 6. Tangible assets

	<b>Motor vehicles</b>	<b>Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2018	85,540	2,762	<b>88,302</b>
Additions	15,490	–	<b>15,490</b>
Disposals	( 14,750)	–	<b>( 14,750)</b>
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<b>At 31 December 2018</b>	<b>86,280</b>	<b>2,762</b>	<b>89,042</b>
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<b>Depreciation</b>			
At 1 January 2018	39,635	691	<b>40,326</b>
Charge for the year	21,571	690	<b>22,261</b>
Disposals	( 11,063)	–	<b>( 11,063)</b>
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<b>At 31 December 2018</b>	<b>50,143</b>	<b>1,381</b>	<b>51,524</b>
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<b>Carrying amount</b>			
<b>At 31 December 2018</b>	<b>36,137</b>	<b>1,381</b>	<b>37,518</b>
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At 31 December 2017	45,905	2,071	<b>47,976</b>
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The hire purchase agreements are secured against the assets concerned.

#### Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	<b>Motor vehicles</b>
	<b>£</b>
<b>At 31 December 2018</b>	<b>36,137</b>
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At 31 December 2017	<b>45,905</b>





## 7. Debtors

	2018	2017
	£	£
Trade debtors	83,842	69,915
Other debtors	456	16,586
	84,298	86,501

## 8. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	122,768	102,072
Corporation tax	7,718	3,248
Social security and other taxes	21,570	19,000
Other creditors	24,336	25,800
	176,392	150,120

## 9. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	26,967	35,677

## 10. Related party transactions

The company is under the control of Mr S M Shah by virtue of majority shareholding. During the year, the company made sales of £21,312 (2017: £55,079) to Applewade Limited, a company under common control. At the year end the amount due to the company was £1,427 (2017: £18,083). Applewade Limited, also made supplies to the company amounting to £105,274 (2017: £90,753). At the year end the amount owed to Applewade Limited was £38,400 (2017: £36,158) Applewade Limited charges Rent to the company for use of it's premises. In the year it charged £30,000 (2017: £30,000). At the year end there was no amount owed to Applewade Limited. During the year the company received £60,000 from Applewade Limited for recharge of shared costs. The intercompany balance owing at the year end to Applewade Ltd was £5,414. (2017: Receivable £16,586)

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