

Company Registration No. 04701608 (England and Wales)

CHAMELEON STUDIO LIMITED

ANNUAL REPORT  
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

PAGES FOR FILING WITH REGISTRAR



# CHAMELEON STUDIO LIMITED

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# CHAMELEON STUDIO LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2018

		2018		2017 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	3		-		20,391
Tangible assets	4		20,442		35,811
			<u>20,442</u>		<u>56,202</u>
<b>Current assets</b>					
Stocks		421,690		370,104	
Debtors	5	987,204		562,236	
Cash at bank and in hand		468,218		339,279	
		<u>1,877,112</u>		<u>1,271,619</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(524,327)</u>		<u>(291,669)</u>	
<b>Net current assets</b>			<u>1,352,785</u>		<u>979,950</u>
<b>Total assets less current liabilities</b>			<u>1,373,227</u>		<u>1,036,152</u>
<b>Provisions for liabilities</b>			<u>(3,295)</u>		<u>(6,051)</u>
<b>Net assets</b>			<u><u>1,369,932</u></u>		<u><u>1,030,101</u></u>
<b>Capital and reserves</b>					
Called up share capital	7		2		2
Profit and loss reserves			<u>1,369,930</u>		<u>1,030,099</u>
<b>Total equity</b>			<u><u>1,369,932</u></u>		<u><u>1,030,101</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 18 December 2018 and are signed on its behalf by:



Mr R J Boston  
Director



Mr C Burns  
Director

Company Registration No. 04701608

# CHAMELEON STUDIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

#### Company information

Chameleon Studio Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 25, Shortwood Court, Shortwood Business Park, Dearne Valley Parkway, Barnsley.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The financial statements are not prepared on the going concern basis. The company is not considered to be a going concern as the directors plan to transfer the company's trade to a group company in the near future.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.4 Intangible fixed assets other than goodwill

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	50 months straight line
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#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% straight line
Fixtures, fittings & equipment	20% - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# CHAMELEON STUDIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

(Continued)

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 Cash at bank and in hand

Cash and cash-equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs.

##### **Classification of financial liabilities**

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.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price.

# CHAMELEON STUDIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

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#### 1 Accounting policies

(Continued)

##### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

###### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

##### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

##### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### 1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

##### 1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

# CHAMELEON STUDIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 12 (2017 - 12).

### 3 Intangible fixed assets

	Website £
<b>Cost</b>	
At 1 April 2017	30,270
Additions	69,376
Disposals	(99,646)
At 31 March 2018	-
<b>Amortisation and impairment</b>	
At 1 April 2017	9,879
Amortisation charged for the year	23,915
Disposals	(33,794)
At 31 March 2018	-
<b>Carrying amount</b>	
At 31 March 2018	-
At 31 March 2017	20,391

### 4 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2017	74,151	73,673	147,824
Disposals	(35,374)	(59,584)	(94,958)
At 31 March 2018	38,777	14,089	52,866
<b>Depreciation and impairment</b>			
At 1 April 2017	46,604	65,409	112,013
Depreciation charged in the year	11,900	3,469	15,369
Eliminated in respect of disposals	(35,374)	(59,584)	(94,958)
At 31 March 2018	23,130	9,294	32,424
<b>Carrying amount</b>			
At 31 March 2018	15,647	4,795	20,442
At 31 March 2017	27,547	8,264	35,811

# CHAMELEON STUDIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5	Debtors	2018	As restated 2017
		£	£
	Amounts falling due within one year:		
	Trade debtors	25,949	17,996
	Corporation tax recoverable	170,110	84,059
	Amounts owed by group undertakings	784,741	-
	Other debtors	6,404	460,181
		<u>987,204</u>	<u>562,236</u>
6	Creditors: amounts falling due within one year	2018	2017
		£	£
	Trade creditors	274,815	110,167
	Corporation tax	157,407	82,002
	Other taxation and social security	70,497	81,900
	Other creditors	21,608	17,600
		<u>524,327</u>	<u>291,669</u>
7	Called up share capital	2018	2017
		£	£
	Ordinary share capital		
	Issued and fully paid		
	2 Ordinary shares of £1 each	2	2
		<u>2</u>	<u>2</u>

## 8 Prior year adjustment

During the year ended 31 March 2018, it was identified that a balance within trade debtors of £60,502, that had arisen in the period prior to 31 March 2016 had been recorded in error. This has been corrected by way of a prior year adjustment, reducing trade debtors and reserves in the comparative figures by £60,502.

## 9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was qualified and the auditor reported as follows:



# CHAMELEON STUDIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

#### 9 Audit report information

(Continued)

##### Qualified opinion

We have audited the financial statements of Chameleon Studio Limited (the 'company') for the year ended 31 March 2018 which comprise , the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

##### Basis for qualified opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

With respect to both the opening stock and the closing stock, which had a carrying value of £370,104 and £421,690 respectively, the audit evidence available to us was limited because we did not observe the counting of the physical stock at either 31 March 2017 or 31 March 2018. This was due to both dates being prior to our appointment as auditor of the company. We were unable to obtain appropriate audit evidence regarding the stock quantities by using other audit procedures. The limited work performed on stock quantities did not reveal any material errors, but we were not able to obtain the level of assurance required to form an audit opinion on stock quantities.

##### Emphasis of matter

We draw attention to Note 1.2 to the financial statements which explains that the directors intend to transfer the company's trade to a group company in the near future and therefore they do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern. Our opinion is not modified in respect of this matter.

The senior statutory auditor was Mark Pearson.  
The auditor was Barlow Andrews LLP.

#### 10 Financial commitments, guarantees and contingent liabilities

The company is party to a cross guarantee covering all the bank overdrafts and loans of other companies in the group to which this company belongs.

There is a fixed and floating charge over all the assets of the company.

The maximum liability under this guarantee at 31 March 2018 was £6,425,000.

# CHAMELEON STUDIO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2018

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#### 11 Operating lease commitments

##### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2018	2017
£	£
3,671	7,342
<u>3,671</u>	<u>7,342</u>

#### 12 Directors' transactions

Advances or credits have been granted by the company to the director, Mr S Heap, and his wife as follows:

Advances to the director at the year end 31 March 2017 of £441,532 have been repaid during the year ended 31 March 2018. Further amounts of £343,209 have been advanced during the year. These have also been repaid leaving no outstanding balance at 31 March 2018. No interest has been charged.

#### 13 Parent company

The company is included in the consolidated accounts of Belgium Topco Limited whose principal place of business is Unit 25 Shortwood Court, Shortwood Business Park, Dearne Valley Parkway, Barnsley, South Yorkshire, S74 9LH. The company is registered in England and Wales.