

**Teapot Creative Limited
Filletted Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2020**

TEAPOT CREATIVE LIMITED

Contents

Balance Sheet	<u>1 to 2</u>
Notes to the Unaudited Financial Statements	<u>3 to 10</u>

TEAPOT CREATIVE LIMITED

(Registration number: 07945108)
 Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	6,460	11,014
Current assets			
Debtors	6	208,267	200,173
Cash at bank and in hand		26,892	24,843
		235,159	225,016
Creditors: Amounts falling due within one year	7	(194,188)	(165,786)
Net current assets		40,971	59,230
Total assets less current liabilities		47,431	70,244
Creditors: Amounts falling due after more than one year	7	(41,615)	(54,781)
Provisions for liabilities			
Deferred tax liabilities		(1,227)	(1,873)
Net assets		4,589	13,590
Capital and reserves			
Called up share capital		3	3
Profit and loss account		4,586	13,587
Total equity		4,589	13,590

TEAPOT CREATIVE LIMITED

(Registration number: 07945108)
Balance Sheet as at 31 March 2020

For the financial year ending 31 March 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 accounts 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 accounts.

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006. The option not to file the profit and loss account and directors' report has been taken.

Approved and authorised by the Board on 22 July 2020 and signed on its behalf by:

B N Tottle
Director

TEAPOT CREATIVE LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 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:

The Courtyard Bowdens Farm
Hambridge
LANGPORT
Somerset
TA10 0BP

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 presented in Sterling (£).

Turnover recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of web design services in the ordinary course of the company's activities. Turnover is shown net of sales/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.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

TEAPOT CREATIVE LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Tax

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

The current 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 on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

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

Depreciation of tangible assets

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
Land and buildings	33.3% straight line
Fixtures, fittings, tools and equipment	25% reducing balance / straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

TEAPOT CREATIVE LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

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.

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.

Other financial liabilities are initially measured out at fair value, net of transaction costs and subsequently 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 Profit and Loss Account 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.

Assets held under hire purchase agreements are capitalised as tangible fixed assets with the future obligation being recognised as a liability. Finance costs are recognised in the Profit and Loss Account calculated at a constant periodic rate of interest over the term of the liability.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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.

TEAPOT CREATIVE LIMITED

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 18 (2019 - 19).

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2019	1,648	1,648
At 31 March 2020	1,648	1,648
Amortisation		
At 1 April 2019	1,648	1,648
At 31 March 2020	1,648	1,648
Carrying amount		
At 31 March 2020	-	-

TEAPOT CREATIVE LIMITED

**Notes to the Unaudited Financial Statements
for the Year Ended 31 March 2020**

5 Tangible assets

	Land and buildings £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2019	1,563	56,469	58,032
Additions	-	1,442	1,442
At 31 March 2020	1,563	57,911	59,474
Depreciation			
At 1 April 2019	1,563	45,455	47,018
Charge for the year	-	5,996	5,996
At 31 March 2020	1,563	51,451	53,014
Carrying amount			
At 31 March 2020	-	6,460	6,460
At 31 March 2019	-	11,014	11,014

Included within the net book value of land and buildings above is £Nil (2019 - £Nil) in respect of short leasehold land and buildings.

TEAPOT CREATIVE LIMITED

**Notes to the Unaudited Financial Statements
for the Year Ended 31 March 2020**

6 Debtors

	Note	2020 £	2019 £
Trade debtors		81,229	118,249
Amounts owed by group undertakings and undertakings in which the company has a participating interest	9	7,500	1,500
Other debtors		119,538	80,424
Total current trade and other debtors		208,267	200,173

7 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	8	13,166	11,208
Trade creditors		5,818	15,329
Taxation and social security		62,532	49,920
Corporation tax		18,098	15,301
Other creditors		94,574	74,028
		194,188	165,786
Due after one year			
Loans and borrowings	8	41,615	54,781

TEAPOT CREATIVE LIMITED

**Notes to the Unaudited Financial Statements
for the Year Ended 31 March 2020**

8 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Other borrowings	<u>13,166</u>	<u>11,208</u>
	2020 £	2019 £
Non-current loans and borrowings		
Other borrowings	<u>41,615</u>	<u>54,781</u>

Other borrowings

Other loan with a carrying amount of £54,781 (2019 - £65,989) is denominated in Pound Sterling with a nominal interest rate of 12.18%. The final instalment is due on 30 September 2023.

The loan is secured by way of personal guarantees from the directors.

9 Related party transactions

Transactions with directors

	At 1 April 2019 £	Advances to directors £	Re- payments by director £	At 31 March 2020 £
2020				
A J Lewis				
Interest free loan	200	-	(200)	-
	<hr/>	<hr/>	<hr/>	<hr/>
B N Tottle				
Loan on which interest is charged above the official rate prescribed by HMRC	22,086	25,437	(15,580)	31,943
	<hr/>	<hr/>	<hr/>	<hr/>
E A Ginbey				
Loan on which interest is charged above the official rate prescribed by HMRC	36,039	27,447	(15,276)	48,210
	<hr/>	<hr/>	<hr/>	<hr/>

TEAPOT CREATIVE LIMITED

**Notes to the Unaudited Financial Statements
for the Year Ended 31 March 2020**

	At 1 April 2018	Advances to directors	Re- payments by director	At 31 March	
				2018	2019
2019					
A J Lewis					
Interest free loan	4,751	5,721	(10,272)		200
	=====	=====	=====	=====	=====
B N Tottle					
Loan on which interest is charged above the official rate prescribed by HMRC	7,918	24,600	(10,432)		22,086
	=====	=====	=====	=====	=====
E A Ginbey					
Loan on which interest is charged above the official rate prescribed by HMRC	18,033	27,706	(9,700)		36,039
	=====	=====	=====	=====	=====

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.