

**Unaudited Financial Statements**  
**for the Year Ended 31 March 2020**  
**for**  
**Cherry London Ltd**

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for the Year Ended 31 March 2020**

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**Cherry London Ltd**  
**Company**  
**Information**  
**for the Year Ended 31 March 2020**

**DIRECTOR:** T E Gillan

**REGISTERED OFFICE:** Leofric House  
Binley Road  
Coventry  
CV3 1JN

**REGISTERED NUMBER:** 06857304 (England and Wales)

**ACCOUNTANTS:** Leigh Christou Ltd  
Chartered Certified Accountants  
Leofric House  
Binley Road  
Coventry  
CV3 1JN

**Balance Sheet**  
**31 March**  
**2020**

	Notes	31.3.20 £	£	31.3.19 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		<b>25,641</b>		85,533
Investments	5		<b>100</b>		100
			<b>25,741</b>		85,633
<b>CURRENT ASSETS</b>					
Debtors	6	<b>254,733</b>		826,916	
Cash at bank and in hand		<b>287,881</b>		<b>125,239</b>	
		<b>542,614</b>		952,155	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<b>641,187</b>		<b>874,299</b>	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<b>(98,573)</b>		<b>77,856</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>(72,832)</b>		163,489
<b>PROVISIONS FOR LIABILITIES</b>			<b>63,030</b>		10,228
<b>NET (LIABILITIES)/ASSETS</b>			<b>(135,862)</b>		<b>153,261</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			<b>111</b>		111
Share premium			<b>82,464</b>		82,464
Retained earnings			<b>(218,437)</b>		70,686
<b>SHAREHOLDERS' FUNDS</b>			<b>(135,862)</b>		<b>153,261</b>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges her responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**Balance Sheet - continued**  
**31 March**  
**2020**

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 1 March 2021 and were signed by:

T E Gillan - Director

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

**1. STATUTORY INFORMATION**

Cherry London Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Turnover**

Turnover represents net invoiced sales of services provided, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- Straight line over 10 years
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

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

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 15 (2019 - 24) .

**4. TANGIBLE FIXED ASSETS**

	<b>Short leasehold £</b>	<b>Improvements to property £</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>					
At 1 April 2019 and 31 March 2020	<u><b>6,230</b></u>	<u><b>43,192</b></u>	<u><b>102,818</b></u>	<u><b>95,279</b></u>	<u><b>247,519</b></u>
<b>DEPRECIATION</b>					
At 1 April 2019	<b>2,526</b>	<b>15,196</b>	<b>66,135</b>	<b>78,129</b>	<b>161,986</b>
Charge for year	<u><b>3,704</b></u>	<u><b>25,837</b></u>	<u><b>18,583</b></u>	<u><b>11,768</b></u>	<u><b>59,892</b></u>
At 31 March 2020	<u><b>6,230</b></u>	<u><b>41,033</b></u>	<u><b>84,718</b></u>	<u><b>89,897</b></u>	<u><b>221,878</b></u>
<b>NET BOOK VALUE</b>					
At 31 March 2020	<u><b>-</b></u>	<u><b>2,159</b></u>	<u><b>18,100</b></u>	<u><b>5,382</b></u>	<u><b>25,641</b></u>
At 31 March 2019	<u><b>3,704</b></u>	<u><b>27,996</b></u>	<u><b>36,683</b></u>	<u><b>17,150</b></u>	<u><b>85,533</b></u>

**5. FIXED ASSET INVESTMENTS**

	<b>Other investments £</b>
<b>COST</b>	
At 1 April 2019 and 31 March 2020	<u><b>100</b></u>
<b>NET BOOK VALUE</b>	
At 31 March 2020	<u><b>100</b></u>
At 31 March 2019	<u><b>100</b></u>

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.3.20 £</b>	<b>31.3.19 £</b>
Trade debtors	<b>97,438</b>	601,931
Amounts owed by group undertakings	<b>95,555</b>	85,604
Other debtors	<u><b>61,740</b></u>	<u>139,381</u>
	<u><b>254,733</b></u>	<u><b>826,916</b></u>

The company has entered into an agreement whereby a proportion of its trade debtors have been discounted with a finance company (on a full recourse basis), in return for which it receives advances against a proportion of the sums due.

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

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.3.20</b>	31.3.19
	£	£
Trade creditors	<b>535,032</b>	509,837
Taxation and social security	<b>63,418</b>	131,732
Other creditors	<b>42,737</b>	232,730
	<b><u>641,187</u></b>	<u>874,299</u>

**8. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>31.3.20</b>	31.3.19
	£	£
Financing of trade debtors	<b><u>-</u></b>	<u>206,464</u>

The financing of trade debtors is secured on all assets of the company via a floating charge.

**9. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

Included within other creditors is £1,427 (2019 - £1,427) due to the director in respect of loans made, this amount is interest free and has no set terms for repayment.

**10. POST BALANCE SHEET EVENTS**

Following the year end date and following trading difficulties arising from the impact of Covid-19, on 3 September 2020 a Company Voluntary Arrangement (CVA) was proposed and subsequently approved by the creditors of the company. The CVA provided the company with the opportunity to restructure its debts and secure its future viability

The approved CVA proposal represents a full and final settlement of all claims by creditors of the company, resulting in a reduction of all liabilities of the company by a total sum of £245,421.

Had the resulting impact of the CVA been reflected within the net assets of the company as at 31 March 2020, the capital and reserves of the company would have been restated as follows

£  
**CAPITAL AND RESERVES - Restated as at 31 March 2020**

Called up share capital 111  
Share premium account 82,464  
Profit & loss account 26,986

£109,561  
=====

**11. ULTIMATE CONTROLLING PARTY**

The controlling party is T E Gillan.