Registered number: 08020421

BLUE BROLLY (UK) LTD

UNAUDITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

BLUE BROLLY (UK) LTD

Company Information

Director	M Makhzan
Registered number	08020421
Registered office	104 11 Harrowby Street London W1H 5PQ

BLUE BROLLY (UK) LTD
Registered number: 08020421

Balance sheet
As at 31 December 2019

	Note		2019 £		*2018 £*
Fixed assets					
Tangible assets	5		**4,370**		*7,476*
			4,370		*7,476*
Current assets					
Stocks		**571**		*385*	
Debtors	6	**9,723**		*9,000*	
Cash at bank and in hand		**329**		*1,802*	
		10,623		*11,187*	
Creditors: amounts falling due within one year	7	**(149,182)**		*(129,546)*	
Net current liabilities			**(138,559)**		*(118,359)*
Net liabilities			**(134,189)**		*(110,883)*
Capital and reserves					
Called up share capital			**1**		*1*
Profit and loss account			**(134,190)**		*(110,884)*
			(134,189)		*(110,883)*

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The 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 the provisions of FRS 102 Section 1A - small entities.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 December 2020.

M Makhzan
Director

The notes on pages 2 to 6 form part of these financial statements.

Notes to the financial statements
For the Year Ended 31 December 2019

1. General information

Blue Brolly (UK) Limited is a private limited company incorporated in the United Kingdom, and registered in England and Wales. The company's registered office is 104, 11 Harrowby Street, London, W1H 5PQ.

The company's principal activity is the provision of hairdressing services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The accounts have been prepared on the going concern basis, despite an excess of total liabilities over total assets and the difficulties faced by the company as a result of the COVID-19 pandemic throughout 2020, including government restrictions across the hairdressing and beauty industry leaving the company unable to trade for several months of the year.

The director does not consider that this will have a negative impact on the going concern of the company as she intends to personally continue to financially support the business for at least twelve months from the date of approving these financial statements

2.3 Turnover

Turnover comprises revenue recognised by the Company in respect of the services supplied during the year, exclusive of Value Added Tax and trade discounts. Revenue is recognised in the period in which the service is provided in accordance with the stage of completion of the service agreed upon.

2.4 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 to the Profit and loss account over its useful economic life.

The directors consider the useful economic life of goodwill to be 2 years based on current market conditions. The goodwill has now been fully depreciated.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

S/Term Leasehold Property	- Over the life of the lease
Equipment	- 25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.9 Creditors

Short term creditors are measured at the transaction price.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 1 *(2018 - 1)*.

4. Intangible assets

	Goodwill
	£
Cost	
At 1 January 2019	**47,000**
At 31 December 2019	**47,000**
Amortisation	
At 1 January 2019	**47,000**
At 31 December 2019	**47,000**
Net book value	
At 31 December 2019	-
At 31 December 2018	-

Notes to the financial statements
For the Year Ended 31 December 2019

5. Tangible fixed assets

	S/Term Leasehold Property	Equipment	Total
	£	£	£
Cost or valuation			
At 1 January 2019	**3,000**	**11,100**	**14,100**
Additions	**-**	**275**	**275**
At 31 December 2019	**3,000**	**11,375**	**14,375**
Depreciation			
At 1 January 2019	**1,074**	**5,550**	**6,624**
Charge for the year on owned assets	**537**	**2,844**	**3,381**
At 31 December 2019	**1,611**	**8,394**	**10,005**
Net book value			
At 31 December 2019	**1,389**	**2,981**	**4,370**
At 31 December 2018	*1,926*	*5,550*	*7,476*

6. Debtors

	2019	*2018*
	£	*£*
Due after more than one year		
Rent deposit	**9,000**	*9,000*
	9,000	*9,000*
Due within one year		
Prepayments and accrued income	**723**	*-*

Notes to the financial statements
For the Year Ended 31 December 2019

7. Creditors: Amounts falling due within one year

	2019	*2018*
	£	*£*
Other creditors	**145,832**	*126,196*
Accruals and deferred income	**3,350**	*3,350*
	149,182	*129,546*

8. Related party transactions

During the year the Company operated a loan account with the director. As at 31 December 2019 the Company owed the director £58,266 (2018: £38,629).

As at 31 December 2019 £86,285 remained due from a company under common control (2018: £86,285). The loan is interest free and repayable on demand.

9. Significant events after the balance sheet date

Despite the difficulties faced by the company as a result of COVID-19 throughout 2020, including government restrictions across the hairdressing and beauty industry leaving the company unable to trade for several months of the year, the director does not consider that this will have a negative impact on the going concern of the company as she intends to personally continue to financially support the business for at least twelve months from the date of approving these financial statements.

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.