

Cornerstone Brands Ltd

Annual Report and Unaudited Financial Statements
for the Period from 1 January 2020 to 31 July 2020

Cornerstone Brands Ltd

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Cornerstone Brands Ltd

Company Information

Directors	Mr S M Hill Mr O J Bridge Mr R M Fifield Mr D J Harris Mr G M Edwards Mr J D Wheatland
Registered office	86-90 Paul Street, London EC2A 4NE

Cornerstone Brands Ltd
(Registration number: 08367949)
Balance Sheet as at 31 July 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>5</u>	-	75,820
Investments	<u>6</u>	100	-
		<u>100</u>	<u>75,820</u>
Current assets			
Stocks	<u>7</u>	-	610,817
Debtors	<u>8</u>	95,000	189,371
Cash at bank and in hand		-	425,132
		95,000	1,225,320
Creditors: Amounts falling due within one year	<u>9</u>	-	(1,187,280)
Net current assets		<u>95,000</u>	<u>38,040</u>
Total assets less current liabilities		95,100	113,860
Creditors: Amounts falling due after more than one year	<u>9</u>	-	(82,178)
Net assets		<u>95,100</u>	<u>31,682</u>
Capital and reserves			
Called up share capital		286	286
Share premium reserve		8,186,967	8,186,967
Profit and loss account		<u>(8,092,153)</u>	<u>(8,155,571)</u>
Total equity		<u>95,100</u>	<u>31,682</u>

For the financial period ending 31 July 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 period 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 in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Cornerstone Brands Ltd
(Registration number: 08367949)
Balance Sheet as at 31 July 2020

Approved and authorised by the Board on 31 July 2020 and signed on its behalf by:

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Mr O J Bridge
Director

Cornerstone Brands Ltd

Notes to the Financial Statements for the Period from 1 January 2020 to 31 July 2020

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:
86-90 Paul Street,
London
EC2A 4NE

These financial statements were authorised for issue by the Board on 31 July 2020.

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.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of 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.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, 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 income 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.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Cornerstone Brands Ltd

Notes to the Financial Statements for the Period from 1 January 2020 to 31 July 2020

Depreciation

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
Computer Equipment	Over 2 years
Leasehold Improvements	Over 5 years
Office Equipment	Over 2 years
Razor Tooling	Various

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.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or 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.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade 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.

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.

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Notes to the Financial Statements for the Period from 1 January 2020 to 31 July 2020

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 14 (2019 - 26).

4 Profit/loss before tax

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	26,541	71,175

5 Tangible assets

	Plant and machinery £	Office equipment £	Total £
Cost or valuation			
At 1 January 2020	242,739	32,334	275,073
Disposals	(242,739)	(32,334)	(275,073)
At 31 July 2020	-	-	-
Depreciation			
At 1 January 2020	170,395	28,858	199,253
Charge for the period	23,141	3,400	26,541
Eliminated on disposal	(193,536)	(32,258)	(225,794)
At 31 July 2020	-	-	-
Carrying amount			
At 31 July 2020	-	-	-
At 31 December 2019	72,344	3,476	75,820

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

Cornerstone Brands Ltd

Notes to the Financial Statements for the Period from 1 January 2020 to 31 July 2020

6 Investments

	2020	2019
	£	£
Investments in subsidiaries	100	-

7 Stocks

	2020	2019
	£	£
Other inventories	-	610,817

Cornerstone Brands Ltd

Notes to the Financial Statements for the Period from 1 January 2020 to 31 July 2020

8 Debtors

	Note	2020 £	2019 £
Trade debtors		-	9,832
Amounts owed by group undertakings and undertakings in which the company has a participating interest		95,000	-
Prepayments		-	16,495
Other debtors		-	163,044
		<u>95,000</u>	<u>189,371</u>

9 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Bank loans and overdrafts	<u>10</u>	-	417,938
Trade creditors		-	405,382
Taxation and social security		-	134,915
Other creditors		-	229,045
		<u>-</u>	<u>1,187,280</u>
Due after one year			
Loans and borrowings	<u>10</u>	<u>-</u>	<u>82,178</u>

Creditors include bank loans, loans secured by floating charge, overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £nil (2019 - £417,938).

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>10</u>	<u>-</u>	<u>82,178</u>

Creditors include loans and overdrafts and net obligations under finance lease and hire purchase contracts which are secured of £nil (2019 - £82,178).

Cornerstone Brands Ltd

Notes to the Financial Statements for the Period from 1 January 2020 to 31 July 2020

10 Loans and borrowings

	2020	2019
	£	£
Non-current loans and borrowings		
HP and finance lease liabilities	-	82,178

	2020	2019
	£	£
Current loans and borrowings		
HP and finance lease liabilities	-	11,945
Other borrowings	-	405,993
	-	417,938

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.