

Backroom Studios Architecture Limited

previously trading as LX Architecture Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 30 September 2017

Ripe LLP
9A Burroughs Gardens
London
NW4 4AU

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Company Information

Director Mr A Allen

Registered office 9A Burroughs Gardens
London
NW4 4AU

Accountants Ripe LLP
9A Burroughs Gardens
London
NW4 4AU

Backroom Studios Architecture Limited
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(Registration number: 07768305)
Balance Sheet as at 30 September 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	2	206	716
Current assets			
Cash at bank and in hand		6	192
Creditors: Amounts falling due within one year	3	<u>(7,521)</u>	<u>(5,475)</u>
Net current liabilities		<u>(7,515)</u>	<u>(5,283)</u>
Total assets less current liabilities		(7,309)	(4,567)
Creditors: Amounts falling due after more than one year	3	<u>(413)</u>	<u>(753)</u>
Net liabilities		<u><u>(7,722)</u></u>	<u><u>(5,320)</u></u>
Capital and reserves			
Called up share capital	4	1	1
Profit and loss account		<u>(7,723)</u>	<u>(5,321)</u>
Total equity		<u><u>(7,722)</u></u>	<u><u>(5,320)</u></u>

For the financial year ending 30 September 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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.

Approved and authorised by the director on 11 July 2018

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Mr A Allen
Director

The notes on pages [3](#) to [6](#) form an integral part of these financial statements.

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Notes to the Financial Statements for the Year Ended 30 September 2017

1 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.

The financial statements are presented in Sterling (£) and figures are shown to the nearest whole pound.

Going concern

The accounts have been prepared on a going concern basis on the understanding that the company's creditors will continue to support the company for the foreseeable future.

Changes in circumstances

Change of name

With effect from 3rd January 2018, the name of the Company was changed from LX Architecture Limited to Backroom Studios Architecture Limited.

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 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 statement of financial position 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.

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Notes to the Financial Statements for the Year Ended 30 September 2017

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
Fixtures and fittings	20% on cost
Office equipment	33% on cost

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 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.

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.

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 Year Ended 30 September 2017

2 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 October 2016	2,247	2,247
At 30 September 2017	2,247	2,247
Depreciation		
At 1 October 2016	1,531	1,531
Charge for the year	510	510
At 30 September 2017	2,041	2,041
Carrying amount		
At 30 September 2017	206	206
At 30 September 2016	716	716

3 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	5	887	887
Accruals and deferred income		2,900	1,450
Other creditors		3,734	3,138
		7,521	5,475

Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	5	413	753

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Notes to the Financial Statements for the Year Ended 30 September 2017

4 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	1	1	1	1

5 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	413	753
	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	591	591
Bank overdrafts	296	296
	887	887

Bank borrowings

The Santander bank loan is denominated in Pound Sterling with a nominal interest rate of 7.9%, and the final instalment is due on 4 November 2019. The carrying amount at year end is £1,004 (2016 - £1,344).

The bank loan is secured by way of a personal guarantee given by the company's director, Mr A Allen.

6 Related party transactions

At 30 September 2017, the company owed £3,469 (2016: £-) to the director, Mr A Allen.

Backroom Studios LLP

A firm in which Mr A Allen is a member

Included in turnover are sales of Nil (2016: £9,610) to Backroom Studios LLP.