

Company Registration No. 01136087 (England and Wales)

ELVSTROM SAILS UK LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020
PAGES FOR FILING WITH REGISTRAR

ELVSTROM SAILS UK LIMITED

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ELVSTROM SAILS UK LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	3		2,272		-
Current assets					
Stocks		56,920		45,888	
Debtors	4	54,500		84,785	
Cash at bank and in hand		22,659		11,069	
		<u>134,079</u>		<u>141,742</u>	
Creditors: amounts falling due within one year	5	<u>(388,045)</u>		<u>(404,335)</u>	
Net current liabilities			(253,966)		(262,593)
Total assets less current liabilities			<u>(251,694)</u>		<u>(262,593)</u>
Capital and reserves					
Called up share capital	6	575,090		575,090	
Profit and loss reserves		<u>(826,784)</u>		<u>(837,683)</u>	
Total equity			<u>(251,694)</u>		<u>(262,593)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 3 November 2020 and are signed on its behalf by:

N Bjerregaard
Director

Company Registration No. 01136087

ELVSTROM SAILS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

Company information

Elvstrom Sails UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is HYS, Unit 2, Port Hamble, Hamble, Southampton, Hampshire, SO31 4NN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis, which assumes the continued support of the company's ultimate parent company, Elvstrom Sails A/S and other creditors. The directors have no reason to believe that this support will not continue.

If this continued support was not forthcoming the going concern basis would not be appropriate, and adjustments would have to be made to reduce the value of the assets to their realisable amounts and re-classify long term liabilities as current liabilities. The financial statements do not include any adjustments that would result from a withdrawal of this support.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT. The fair value of consideration takes into account trade and settlement discounts. Revenue is recognised on the raising of a sales invoice.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Improvements to leasehold property	33.33% straight line
Plant and machinery	10%, 20% and 33.33% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

ELVSTROM SAILS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Work in progress is valued at the lower of cost and net realisable value.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ELVSTROM SAILS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

1 Accounting policies

(Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	4	5
	<u> </u>	<u> </u>

ELVSTROM SAILS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 October 2019	1,175	47,628	48,803
Additions	-	2,350	2,350
Disposals	-	(9,437)	(9,437)
At 30 September 2020	1,175	40,541	41,716
Depreciation and impairment			
At 1 October 2019	1,175	47,628	48,803
Depreciation charged in the year	-	78	78
Eliminated in respect of disposals	-	(9,437)	(9,437)
At 30 September 2020	1,175	38,269	39,444
Carrying amount			
At 30 September 2020	-	2,272	2,272
At 30 September 2019	-	-	-

4 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	50,558	80,393
Prepayments and accrued income	3,942	4,392
	54,500	84,785

5 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,953	7,825
Amounts owed to group undertakings	367,939	377,958
Taxation and social security	8,169	11,236
Other creditors	884	2,641
Accruals and deferred income	9,100	4,675
	388,045	404,335

ELVSTROM SAILS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

6 Called up share capital

	2020	2019
	£	£
Ordinary share capital Issued and fully paid		
575,090 ordinary shares of £1 each	575,090	575,090

7 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020	2019
	£	£
Within one year	26,650	26,650
Between two and five years	46,637	73,287
	73,287	99,937

8 Parent company

The immediate parent company is Sobstad Sailmakers (UK) Limited, a company incorporated in England and Wales. Its registered office is Unit 2, Hamble Yacht Services, Port Hamble, Southampton, Hampshire, SO31 4NN. Sobstad Sailmakers (UK) Limited is a wholly owned subsidiary of Elvstrom Sails A/S, a company incorporated in Denmark.

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.