

Lincs Aquatics Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 December 2019

Lincs Aquatics Limited

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Lincs Aquatics Limited

Company Information

Directors	R B Stubbs R L Stubbs
Registered office	Hanger 1 Strubby Airfield Woodthorpe Alford Lincolnshire LN13 0DD

Lincs Aquatics Limited

(Registration number: 05391201)

Balance Sheet as at 30 December 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	<u>4</u>	-	4
Tangible assets	<u>5</u>	1,491,806	1,502,158
		<u>1,491,806</u>	<u>1,502,162</u>
Current assets			
Stocks	<u>6</u>	803,880	583,620
Debtors	<u>7</u>	47,166	25,203
Cash at bank and in hand		1,924	8,917
		<u>852,970</u>	<u>617,740</u>
Creditors: Amounts falling due within one year	<u>8</u>	(1,038,692)	(781,625)
Net current liabilities		<u>(185,722)</u>	<u>(163,885)</u>
Total assets less current liabilities		1,306,084	1,338,277
Creditors: Amounts falling due after more than one year	<u>8</u>	(638,291)	(697,728)
Provisions for liabilities		<u>(43,825)</u>	<u>(45,128)</u>
Net assets		<u>623,968</u>	<u>595,421</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>623,868</u>	<u>595,321</u>
Total equity		<u>623,968</u>	<u>595,421</u>

For the financial year ending 30 December 2019 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 year 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.

Approved and authorised by the Board on 6 October 2020 and signed on its behalf by:

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Lincs Aquatics Limited

Notes to the Financial Statements for the Year Ended 30 December 2019

1 General information

The company is a private company limited by share capital incorporated in England and Wales and the company registration number is 05391201.

These financial statements cover the individual entity, Lincs Aquatics Limited.

The address of its registered office is:

Hanger 1
Strubby Airfield
Woodthorpe
Alford
Lincolnshire
LN13 0DD

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 were prepared in accordance with Financial Reporting Standard 102 including Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' subject to the departure noted below.

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 which is the functional currency of the company and rounded to the nearest whole pound.

Departure from requirements of FRS 102

No depreciation has been charged on freehold buildings as they are maintained to such a standard that their residual value is not less than their revaluation cost.

Management have concluded that the above departures do not affect the accounts from showing a true and fair view. Apart from these departures the company has complied with the relevant accounting standards and legislation.

Going concern

Specifically in connection with the current economic climate, the directors have considered the impact of COVID-19 on the business and they are satisfied that the company has sufficient financial headroom to continue trading for at least the next twelve months. For this reason the financial statements have been prepared on a going concern basis.

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.

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.

Lincs Aquatics Limited

Notes to the Financial Statements for the Year Ended 30 December 2019

Tax

The tax expense for the period comprises current and deferred 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.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. 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.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

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.

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
Plant and machinery	15% and 33% reducing balance
Furniture and fittings	15% reducing balance
Land and buildings	No depreciation charged
Motor Vehicles	15% reducing balance
Tenants fixtures	4% straight line basis

Intangible assets

Websites costs are shown at historical cost.

Website costs have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Website	33% straight line basis

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.

Lincs Aquatics Limited

Notes to the Financial Statements for the Year Ended 30 December 2019

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 at the transaction price 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 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 at the transaction price.

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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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 December 2019

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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 year, was 24 (2018 - 22).

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Notes to the Financial Statements for the Year Ended 30 December 2019

4 Intangible assets

	Website £	Total £
Cost or valuation		
At 31 December 2018	4,450	4,450
At 30 December 2019	4,450	4,450
Amortisation		
At 31 December 2018	4,446	4,446
Amortisation charge	4	4
At 30 December 2019	4,450	4,450
Carrying amount		
At 30 December 2019	-	-
At 30 December 2018	4	4

5 Tangible assets

	Land and buildings £	Long leasehold land and buildings £	Fixtures and fittings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation						
At 31 December 2018	1,325,440	31,895	124,881	220,240	31,994	1,734,450
Additions	2,018	-	-	1,268	15,157	18,443
Disposals	-	-	-	(12,073)	-	(12,073)
At 30 December 2019	1,327,458	31,895	124,881	209,435	47,151	1,740,820
Depreciation						
At 31 December 2018	-	10,546	85,273	117,990	18,483	232,292
Charge for the year	-	1,276	5,943	14,721	4,114	26,054
Eliminated on disposal	-	-	-	(9,332)	-	(9,332)
At 30 December 2019	-	11,822	91,216	123,379	22,597	249,014

Carrying amount

At 30 December 2019	<u>1,327,458</u>	<u>20,073</u>	<u>33,665</u>	<u>86,056</u>	<u>24,554</u>	<u>1,491,806</u>
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At 30 December 2018	<u>1,325,440</u>	<u>21,348</u>	<u>39,609</u>	<u>102,250</u>	<u>13,511</u>	<u>1,502,158</u>
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6 Stocks

	2019	2018
	£	£
Finished goods and goods for resale	<u>803,880</u>	<u>583,620</u>

Lincs Aquatics Limited

Notes to the Financial Statements for the Year Ended 30 December 2019

7 Debtors

	2019 £	2018 £
Trade debtors	80	-
Other debtors	39,858	18,650
Prepayments and accrued income	7,228	6,553
	<u>47,166</u>	<u>25,203</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Bank loans and overdrafts		110,026	61,774
Trade creditors		256,981	115,464
Taxation and social security		41,484	42,232
Other creditors		610,280	549,869
Accruals and deferred income		19,921	12,286
		<u>1,038,692</u>	<u>781,625</u>

Due after one year

Loans and borrowings	9	<u>638,291</u>	<u>697,728</u>
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Creditors amounts falling due within one year on which security has been given includes bank loans of £61,442 (2018 - £61,774), bank overdraft of £48,584 (2018 - £nil) and hire purchase £2,401 (2018 - £2,660).

Creditors amounts falling due after more than one year on which security has been given includes bank loans of £638,291 (2018 - £695,327) and hire purchase of £nil (2018 - £2,401).

The hire purchase balances are secured on the assets to which they relate.

The bank loans are secured on the freehold land and buildings.

Included in creditors which are due after more than five years by instalments is £369,588 (2018 - £426,566).

Lincs Aquatics Limited

Notes to the Financial Statements for the Year Ended 30 December 2019

9 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Bank borrowings	638,291	695,327
Finance lease liabilities	-	2,401
	<u>638,291</u>	<u>697,728</u>

	2019 £	2018 £
Current loans and borrowings		
Bank borrowings	61,442	61,774
Bank overdrafts	48,584	-
Finance lease liabilities	2,401	2,660
Other borrowings	<u>606,765</u>	<u>547,209</u>
	<u>719,192</u>	<u>611,643</u>

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £14,000 (2018 - £Nil).

11 Related party transactions

Expenditure with and payables to related parties

	Key management £
2019	
Amounts payable to related party	<u>596,765</u>
2018	
Amounts payable to related party	<u>547,209</u>

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.