

Lincs Aquatics Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 30 December 2021

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

Linco Aquatics Limited

(Registration number: 05391201)

Balance Sheet as at 30 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>5</u>	1,563,621	1,530,514
Current assets			
Stocks	<u>6</u>	1,183,186	684,965
Debtors	<u>7</u>	30,492	37,917
Cash at bank and in hand		13,531	189,200
		<u>1,227,209</u>	<u>912,082</u>
Creditors: Amounts falling due within one year	<u>8</u>	<u>(1,426,325)</u>	<u>(991,837)</u>
Net current liabilities		<u>(199,116)</u>	<u>(79,755)</u>
Total assets less current liabilities		1,364,505	1,450,759
Creditors: Amounts falling due after more than one year	<u>8</u>	(575,610)	(642,578)
Provisions for liabilities		<u>(75,393)</u>	<u>(50,721)</u>
Net assets		<u>713,502</u>	<u>757,460</u>
Capital and reserves			
Called up share capital	<u>10</u>	100	100
Retained earnings		<u>713,402</u>	<u>757,360</u>
Shareholders' funds		<u>713,502</u>	<u>757,460</u>

For the financial year ending 30 December 2021 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 19 August 2022 and signed on its behalf by:

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R L Stubbs

Director

The notes on pages 3 to 9 form an integral part of these financial statements.

Lincs Aquatics Limited

Notes to the Financial Statements for the Year Ended 30 December 2021

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 cost.

Management have concluded that the above departure does not affect the accounts from showing a true and fair view. Apart from this departure 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 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.

Government grants

Government grants which become receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, are recognised as income in the period in which they become receivable.

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Notes to the Financial Statements for the Year Ended 30 December 2021

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

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

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Notes to the Financial Statements for the Year Ended 30 December 2021

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 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.

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Notes to the Financial Statements for the Year Ended 30 December 2021

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.

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 29 (2020 - 24).

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Notes to the Financial Statements for the Year Ended 30 December 2021

4 Intangible assets

	Website £	Total £
Cost or valuation		
At 31 December 2020	4,450	4,450
At 30 December 2021	4,450	4,450
Amortisation		
At 31 December 2020	4,450	4,450
At 30 December 2021	4,450	4,450
Carrying amount		
At 30 December 2021	-	-

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 2020	1,327,458	31,895	124,881	262,709	39,652	1,786,595
Additions	-	-	230	48,691	20,499	69,420
At 30 December 2021	1,327,458	31,895	125,111	311,400	60,151	1,856,015
Depreciation						
At 31 December 2020	-	13,098	96,267	136,699	10,016	256,080
Charge for the year	-	1,276	4,311	24,631	6,096	36,314
At 30 December 2021	-	14,374	100,578	161,330	16,112	292,394
Carrying amount						
At 30 December 2021	1,327,458	17,521	24,533	150,070	44,039	1,563,621

At 30
December
2020

<u>1,327,458</u>	<u>18,797</u>	<u>28,614</u>	<u>126,009</u>	<u>29,636</u>	<u>1,530,514</u>
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6 Stocks

	2021	2020
	£	£
Finished goods and goods for resale	<u>1,183,186</u>	<u>684,965</u>

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Notes to the Financial Statements for the Year Ended 30 December 2021

7 Debtors

	2021 £	2020 £
Trade debtors	-	2,640
Other debtors	25,841	32,667
Prepayments and accrued income	4,651	2,610
	<u>30,492</u>	<u>37,917</u>

8 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Bank loans and overdrafts		80,846	73,014
Trade creditors		568,625	379,469
Taxation and social security		34,723	43,378
Other creditors		713,490	469,455
Accruals and deferred income		28,641	26,521
		<u>1,426,325</u>	<u>991,837</u>

Due after one year

Loans and borrowings	<u>9</u>	<u>575,610</u>	<u>642,578</u>
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Creditors amounts falling due within one year on which security has been given includes bank loans of £80,846 (2020 - £73,014) and hire purchase of £4,990 (2020 - £nil).

Creditors amounts falling due after more than one year on which security has been given includes bank loans of £562,244 (2020 - £642,578) and hire purchase of £13,366 (2020 - £nil).

The bank loans are secured on the freehold land and buildings and property owned personally by the directors.

Included in creditors which are due after more than five years by instalments is £224,660 (2020 - £301,988).

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Notes to the Financial Statements for the Year Ended 30 December 2021

9 Loans and borrowings

	2021 £	2020 £
Non-current loans and borrowings		
Bank borrowings	562,244	642,578
Finance lease liabilities	13,366	-
	<u>575,610</u>	<u>642,578</u>

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	80,846	73,014
Finance lease liabilities	4,990	-
Other borrowings	706,803	468,169
	<u>792,639</u>	<u>541,183</u>

10 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

11 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 £34,251 (2020 - £15,163).

12 Related party transactions

Expenditure with and payables to related parties

	Key management £
2021	
Amounts payable to related party	<u>561,803</u>
2020	
Amounts payable to related party	<u>438,169</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.