

Company registration number 06356472 (England and Wales)

**RIPTIDE POOLS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
**PAGES FOR FILING WITH REGISTRAR**

# RIPTIDE POOLS LIMITED

## CONTENTS

---

	Page
Balance sheet	1
Notes to the financial statements	2 - 10

---

# RIPTIDE POOLS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	as restated	£
<b>Fixed assets</b>					
Intangible assets	3		-		3,100
Tangible assets	4		125,162		167,526
			<u>125,162</u>		<u>170,626</u>
<b>Current assets</b>					
Stocks		1,941,209		1,585,069	
Debtors	5	229,913		113,341	
Cash at bank and in hand		42,662		287,294	
		<u>2,213,784</u>		<u>1,985,704</u>	
<b>Creditors: amounts falling due within one year</b>	6	(3,428,473)		(1,698,556)	
<b>Net current (liabilities)/assets</b>			<u>(1,214,689)</u>		<u>287,148</u>
<b>Net (liabilities)/assets</b>			<u>(1,089,527)</u>		<u>457,774</u>
<b>Capital and reserves</b>					
Called up share capital	7	800,100		800,100	
Profit and loss reserves		(1,889,627)		(342,326)	
<b>Total equity</b>		<u>(1,089,527)</u>		<u>457,774</u>	

The notes on pages 2 to 10 form part of these financial statements.

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

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 29 September 2023 and are signed on its behalf by:

D Wu  
Director

Company registration number 06356472 (England and Wales)

# RIPTIDE POOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2022**

---

### **1 Accounting policies**

#### **Company information**

Riptide Pools Limited is a private company limited by shares incorporated in England and Wales. The registered office is 41 Robjohns Road, Chelmsford, CM1 3AG.

#### **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 are prepared on a going concern basis, notwithstanding the company having made a loss for the year of £1,547,301 and having a net liabilities position of £1,089,527 at 31 December 2022. In considering the appropriateness of the going concern basis management have considered budgets and forecasts that have been prepared for future trading of the company, the general state of the wider economy, the current cost of living crisis in the UK and the availability of external financing. Funding for the company is obtained from its ultimate parent company and the continued operation of the company is dependent on funds, favourable trading terms, and operational support provided by the group.

In considering the appropriateness of the basis of preparation of these financial statements the directors have noted that the Group has indicated that for a period of at least twelve months from the signing of these financial statements it will continue to make available such funds as are needed by the company in order to support its continued operations and meet its liabilities.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that the support from Group will continue, although at the date of approval of these financial statements they have no reason to believe that it will not do so. Written support of such continued support for the next twelve months from the date of signing of the financial statement has been received and therefore these financial statements have been prepared on a going concern basis.

#### **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 and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# RIPTIDE POOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

#### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is five years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.5 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:

Plant and equipment	33% straight line per annum
Fixtures and fittings	20% straight line per annum
Computers	33% straight line per annum
Motor vehicles	20% reducing balance

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.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

# RIPTIDE POOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

#### 1.8 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.

#### 1.9 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.

# RIPTIDE POOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, and loans from fellow group companies 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.

#### **1.10 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.

#### **1.11 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.

#### **1.12 Retirement benefits**

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

#### **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:

	2022 Number	2021 Number
Total	31	30

# RIPTIDE POOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	62,000
<b>Amortisation and impairment</b>	
At 1 January 2022	58,900
Amortisation charged for the year	3,100
At 31 December 2022	62,000
<b>Carrying amount</b>	
At 31 December 2022	-
At 31 December 2021	3,100

### 4 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2022	490,663
Additions	32,646
At 31 December 2022	523,309
<b>Depreciation and impairment</b>	
At 1 January 2022	323,137
Depreciation charged in the year	75,010
At 31 December 2022	398,147
<b>Carrying amount</b>	
At 31 December 2022	125,162
At 31 December 2021	167,526

### 5 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	23,877	28,030
Corporation tax recoverable	192	15,936
Other debtors	205,844	69,375
	229,913	113,341



# RIPTIDE POOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Creditors: amounts falling due within one year

	2022	2021
	£	as restated £
Trade creditors	185,301	49,317
Amounts owed to group undertakings	2,937,260	645,635
Taxation and social security	44,649	329,113
Other creditors	261,263	674,491
	<u>3,428,473</u>	<u>1,698,556</u>

The intercompany loans to the entity are unsecured, interest free, and repayable on demand.

### 7 Called up share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital Issued and fully paid 800,100 of £1 each	800,100	800,100	800,100	800,100

### 8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

#### Material uncertainty relating to going concern

We draw attention to note 1.2 to the financial statements, which indicates that the Company incurred a net loss of £1,547,301, during the year with net liabilities of £1,089,527 at 31 December 2022. There is uncertainty with regards to the company achieving current revenue levels and projections. Although the company continues to be reliant upon its ultimate parent company Guangdong Crystal Island Healthwise Co. Ltd to meet its working capital requirements, a failure to achieve its forecasted results may result in the requirement to obtain additional funding.

In considering the appropriateness of the basis of preparation of these financial statements the directors have noted that the Group has indicated that for a period of at least twelve months from the signing of these financial statements it will continue to make available such funds as are needed by the company in order to support its continued operations and meet its liabilities.

These conditions, along with the other matters as set forth in note 1.2 indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included reviewing the forecasts prepared by the directors, assurances provided by the parent company, and post reporting period trading results.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# RIPTIDE POOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Audit report information (Continued)

Senior Statutory Auditor: Nicholas Nicolaou FCCA  
Statutory Auditor: Alliotts LLP

### 9 Operating lease commitments

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

2022	2021
£	£
653,861	957,120
<u>653,861</u>	<u>957,120</u>

### 10 Events after the reporting date

Following the year end the company has closed its showroom in Marlow and is currently negotiating the final terms and conditions with the landlord in respect of the lease therefore the final settlement figure is unknown. The financial commitment is disclosed in the operating lease commitment note.

### 11 Related party transactions

	2022	2021
	£	£
<b>Amounts due to related parties</b>		
Entities with control, joint control or significant influence over the company	2,937,260	645,635
	<u>2,937,260</u>	<u>645,635</u>

### 12 Parent company

The immediate parent undertaking is Allseas Spas & Wellness Holding BV., a company incorporated in the Netherlands. The address of its registered office is 51 Spectrumlaan, 2665nm, Bleiswijk, Netherlands.

The ultimate parent is Guangdong Crystalisland Healthwise Co., Ltd, incorporated in China.

### 13 Prior period adjustment

#### Changes to the balance sheet

	As previously reported	Adjustment	As restated at 31 Dec 2021
	£	£	£
<b>Creditors due within one year</b>			
Other creditors	(1,200,658)	415,753	(784,905)
Deferred income	-	(584,538)	(584,538)
Net assets	626,559	(168,785)	457,774
	<u>626,559</u>	<u>(168,785)</u>	<u>457,774</u>
<b>Capital and reserves</b>			
Profit and loss reserves	(173,541)	(168,785)	(342,326)
	<u>(173,541)</u>	<u>(168,785)</u>	<u>(342,326)</u>

# RIPTIDE POOLS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 13 Prior period adjustment (Continued)

#### Changes to the profit and loss account

	As previously reported	Adjustment	As restated
Period ended 31 December 2021	£	£	£
Turnover	5,897,478	(584,538)	5,312,940
Cost of sales	(4,150,972)	415,753	(3,735,219)
Profit/(loss) for the financial period	4,397	(168,785)	(164,388)

Prior period adjustments have been made to defer income relating to deposits received in 2021 for goods not delivered and installed until 2022 and to remove related provisions for direct costs. Since the amounts were deposited in advance by customers, no revenue and costs should have been recognised at that time. Instead, these amounts have been moved to deferred income as the significant risks and rewards of ownership had not transferred to the customer until the goods had been delivered and installed in accordance with the sales contracts.

There is no impact of Corporation tax for 2021 as a consequence of the adjustment made.

Additionally, the intercompany loans previously disclosed as non-current have been restated in the prior period as current liabilities to reflect the fact that there is no formal agreement or right to defer payment of these loans.

#### Reconciliation of changes in equity

	1 January 2021	31 December 2021
	£	£
<b>Adjustments to prior year</b>		
Sales	-	(584,538)
Cost of sales	-	415,753
Total adjustments	-	(168,785)
Equity as previously reported	-	626,559
Equity as adjusted	-	457,774
<b>Analysis of the effect upon equity</b>		
Profit and loss reserves	-	(168,785)

## RIPTIDE POOLS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

---

<b>13</b>	<b>Prior period adjustment</b>	<b>(Continued)</b>
	<b>Reconciliation of changes in profit/(loss) for the previous financial period</b>	
		<b>2021</b>
		<b>£</b>
	<b>Adjustments to prior year</b>	
	Sales	(584,538)
	Cost of sales	415,753
		<hr/>
	Total adjustments	(168,785)
	Profit as previously reported	4,397
		<hr/>
	Loss as adjusted	(164,388)
		<hr/> <hr/>

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.