

Company registration number 07091208 (England and Wales)

RAINBOW BUSINESS ENTERPRISES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

RAINBOW BUSINESS ENTERPRISES LIMITED

COMPANY INFORMATION

Directors RTB Presidents Limited
RTB Secretaries Limited
RTB Treasurers Limited
P Konig

Company number 07091208

Registered office 2nd Floor Regis House
45 King William Street
London
United Kingdom
EC4R 9AN

RAINBOW BUSINESS ENTERPRISES LIMITED

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RAINBOW BUSINESS ENTERPRISES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021	2020
	Notes	Total £	Total £
Fixed assets			
Investments	3	5,271,173	4,844,730
Current assets			
Debtors	4	11	826,709
Cash at bank and in hand		875	1,300
		886	828,009
Creditors: amounts falling due within one year	5	(8,937)	(1,351,874)
Net current liabilities		(8,051)	(523,865)
Total assets less current liabilities		5,263,122	4,320,865
Capital and reserves			
Called up share capital	6	13,865,070	12,276,965
Profit and loss reserves		(8,601,948)	(7,956,100)
Total equity		5,263,122	4,320,865

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 31 December 2021 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 27 September 2022 and are signed on its behalf by:

RTB Presidents Limited
Director

RTB Treasurers Limited
Director

Company Registration No. 07091208

RAINBOW BUSINESS ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Rainbow Business Enterprises Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2nd Floor Regis House, 45 King William Street, London, United Kingdom, EC4R 9AN.

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 Total £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Investments

Investments are stated at cost, including the cost of associated expenses, less any provisions for permanent diminution in value. The company has taken advantage of the exemption provided by Section 405 of the Companies Act 2006 not to prepare consolidated financial statements. Accordingly, the financial statements present information about the company as an individual undertaking and not about its group.

1.4 Cash at bank and in hand

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.

1.5 Financial instruments

Basic financial assets

Trade and other receivables are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value if the future receipts discounted at the prevailing market rate of interest. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Basic financial liabilities

Trade and other payables are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value if the future payments discounted at the prevailing market rate of interest. Other financial liabilities are measured at fair value net of their transaction costs. They are subsequently measured as amortised cost using the effective interest method.

RAINBOW BUSINESS ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.7 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

RAINBOW BUSINESS ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Fixed asset investments

	Total £
Cost	
At 1 January 2021	12,345,978
Additions	1,087,373
At 31 December 2021	13,433,351
Impairment	
At 1 January 2021	7,501,248
Impairment in the year	660,930
At 31 December 2021	8,162,178
Carrying amount	
At 31 December 2021	5,271,173
At 31 December 2020	4,844,730

Name of the company	Country of Incorporation	Holding	Proportion held	Nature of business
Cumbres Del Chanza S.L	Spain	Ordinary shares	100%	Trading company

The aggregate capital and reserves at 31 December 2021 and the loss for the year then ended, as disclosed in the unaudited accounting records of the subsidiary undertaking were as follows:-

Name of the company	Aggregate capital and reserves as at 31 December 2021	Profit/ (Loss) for the year ended 31 December 2021
	£	£
Cumbres Del Chanza S.L	5,259,017	(795,476)

4 Debtors

	2021 Total £	2020 Total £
Amounts falling due within one year:		
Amounts owed by group undertakings	11	826,709

RAINBOW BUSINESS ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Creditors: amounts falling due within one year

	2021	2020
	Total £	Total £
Amounts owed to group undertakings	-	1,345,236
Other creditors	8,937	6,638
	<u>8,937</u>	<u>1,351,874</u>

6 Called up share capital

	2021	2020	2021	2020
	Number	Number	Total £	Total £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	13,865,070	12,276,965	13,865,070	12,276,965
	<u>13,865,070</u>	<u>12,276,965</u>	<u>13,865,070</u>	<u>12,276,965</u>

1,588,105 ordinary shares were issued at par on 20 December 2021.

7 Capital commitments

The company had no capital commitments, either authorised or contracted for, at the balance sheet date.

8 Parent undertaking and related party transactions

The company is a 100% subsidiary of Grapevest Holdings Ltd, a company incorporated in the British Virgin Islands. The ultimate controlling party is considered to be the Trustees of the Woodcock Settlement, a discretionary trust established under Canadian law.

At the balance sheet date no amount was due to Grapevest Holdings Ltd (see note 5) in respect of loan advances. During the year, additional advances totalling £242,869 were made. On 20 December 2021 a debt for equity swap was completed whereby £1,588,105 of loan advances were exchanged for 1,588,105 ordinary shares of £1 each. No interest arose on previous balances which were repayable on demand.

At the balance sheet date an amount of £11 (2020: £826,709) was due from Cumbres Del Chanza S.L. (see note 4) in which the company has a 100% interest, in respect of interest free loan advances. No loan interest arises on this balance which is repayable on demand.

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.