

Company Registration No. 07499836 (England and Wales)

**SKINNYDIP LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**  
**PAGES FOR FILING WITH REGISTRAR**

**SKINNYDIP LIMITED**

**COMPANY INFORMATION**

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<b>Directors</b>	L Blitz R Gold J Gold
<b>Company number</b>	07499836
<b>Registered office</b>	30 City Road London EC1Y 2AB
<b>Accountants</b>	Arram Berlyn Gardner (AH) Limited 30 City Road London EC1Y 2AB

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# SKINNYDIP LIMITED

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# SKINNYDIP LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	3		255,629		105,861
<b>Current assets</b>					
Stocks		781,510		962,000	
Debtors	4	2,830,904		797,715	
Cash at bank and in hand		1,254,450		770,333	
		<u>4,866,864</u>		<u>2,530,048</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(3,067,218)</u>		<u>(1,298,292)</u>	
<b>Net current assets</b>			1,799,646		1,231,756
<b>Total assets less current liabilities</b>			<u>2,055,275</u>		<u>1,337,617</u>
<b>Capital and reserves</b>					
Called up share capital	6		99		99
Profit and loss reserves	7		2,055,176		1,337,518
<b>Total equity</b>			<u>2,055,275</u>		<u>1,337,617</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act 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 31 October 2017 and are signed on its behalf by:

L Blitz  
Director

R Gold  
Director

J Gold  
Director

Company Registration No. 07499836

# SKINNYDIP LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
<b>Balance at 1 January 2015</b>	99	352,390	352,489
<b>Year ended 31 December 2015:</b>			
Profit and total comprehensive income for the year	-	1,195,728	1,195,728
Dividends	-	(210,600)	(210,600)
<b>Balance at 31 December 2015</b>	99	1,337,518	1,337,617
<b>Year ended 31 December 2016:</b>			
Profit and total comprehensive income for the year	-	951,358	951,358
Dividends	-	(233,700)	(233,700)
<b>Balance at 31 December 2016</b>	99	2,055,176	2,055,275

# SKINNYDIP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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### **1 Accounting policies**

#### **Company information**

Skinnydip Limited is a private company limited by shares incorporated in England and Wales. The registered office is 30 City Road, London, EC1Y 2AB.

#### **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.

These financial statements for the year ended 31 December 2016 are the first financial statements of Skinnydip Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 12.

#### **1.2 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.

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.

#### **1.3 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 machinery	20% on reducing balance method
Fixtures, fittings & equipment	20% on reducing balance method
Motor vehicles	20% on reducing balance method

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.

# SKINNYDIP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### 1.4 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.

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 is estimated to be less than its carrying amount, the carrying amount of the asset 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.

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 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 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.

#### 1.5 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 replacement cost and 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.

#### 1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, Bank overdrafts are shown within borrowings in current liabilities when they arise.

#### 1.7 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 statement of financial position 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.

# SKINNYDIP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### **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.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **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 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 receipts 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.

### 1.8 Equity instruments

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

### 1.9 Taxation

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



# SKINNYDIP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 income statement, 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.

#### **1.10 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 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 are included in the income statement for the period.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 49 (2015 - 25).

# SKINNYDIP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 3 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2016	121,418
Additions	180,466
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At 31 December 2016	301,884
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<b>Depreciation and impairment</b>	
At 1 January 2016	15,557
Depreciation charged in the year	30,698
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At 31 December 2016	46,255
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<b>Carrying amount</b>	
At 31 December 2016	255,629
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At 31 December 2015	105,861
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### 4 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,250,457	696,769
Amounts due from group undertakings	494,326	-
Other debtors	1,086,121	100,946
	<hr/>	<hr/>
	2,830,904	797,715
	<hr/>	<hr/>

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

	2016 £	2015 £
Bank loans and overdrafts	558,222	141
Trade creditors	1,037,468	444,954
Corporation tax	200,967	282,873
Other taxation and social security	192,926	161,763
Other creditors	1,077,635	408,561
	<hr/>	<hr/>
	3,067,218	1,298,292
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# SKINNYDIP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 6 Called up share capital

	2016 £	2015 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
99 Ordinary shares of £1 each	99	99
	<u>99</u>	<u>99</u>
	<u><u>99</u></u>	<u><u>99</u></u>

There is a single class of Ordinary shares. There are no restrictions on the distribution of dividends and repayment of capital.

### 7 Reserves

#### Profit and loss reserves

Retained earnings represent accumulated comprehensive income for the year and prior periods less dividends paid.

### 8 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:

	2016 £	2015 £
Within one year	307,250	125,000
Between two and five years	142,808	217,808
	<u>450,058</u>	<u>342,808</u>
	<u><u>450,058</u></u>	<u><u>342,808</u></u>

### 9 Related party transactions

#### Remuneration of key management personnel

	2016 £	2015 £
Aggregate compensation	67,272	66,000
	<u><u>67,272</u></u>	<u><u>66,000</u></u>

# SKINNYDIP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 9 Related party transactions

(Continued)

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchase of goods	
	2016	2015
	£	£
Other related parties	84,107	41,645

	Management charges	
	2016	2015
	£	£
Other related parties	193,997	-

The following amounts were outstanding at the reporting end date:

	2016	2015
	£	£
<b>Amounts owed to related parties</b>		
Key management personnel	425,624	322,037
Other related parties	648,711	20,000

The following amounts were outstanding at the reporting end date:

	2016
	Balance
	£
<b>Amounts owed by related parties</b>	
Other related parties	1,460,717

There were no amounts owed in the previous period.

These amounts are interest free and repayable on demand.

# SKINNYDIP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 10 Directors' transactions

During the year the company entered into the following transactions with related parties:

These amounts are loaned interest free and are deemed repayable on demand.

Description	% Rate	Opening balance £	Amounts advanced £	Interest charged £	Amounts repaid £	Closing balance £
L Blitz Loan	-	(63,257)	12,600	-	(77,900)	(128,557)
R Gold Loan	-	(114,640)	24,503	-	(77,900)	(168,037)
J Gold Loan	-	(144,140)	93,010	-	(77,900)	(129,030)
		(322,037)	130,113	-	(233,700)	(425,624)

### 11 Parent company

The parent company is Skinnydip Group Limited, a company incorporated in England and Wales, by virtue of its 100% shareholding. Its registered office is 30 City Road, London, EC1Y 2AB.

### 12 Reconciliations on adoption of FRS 102

#### Reconciliation of equity

	1 January 2015 £	31 December 2015 £
Equity as reported under previous UK GAAP and under FRS 102	352,489	1,337,617

#### Reconciliation of profit for the financial period

	2015 £
Profit as reported under previous UK GAAP and under FRS 102	1,195,728

#### Notes to reconciliations on adoption of FRS 102

There are no material FRS 102 transitional adjustments in respect of the transitional and comparative periods.

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.