

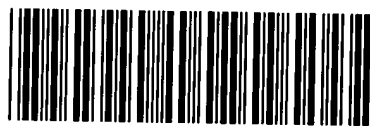
Registration number: 09580250

Aquazzura UK Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2017

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Aquazzura UK Limited

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Aquazzura UK Limited

Company Information

Directors E I Osorio Aduen
C M Hogan

Company secretary Laggan Secretaries Limited

Registered office 5th Floor, North Side
7/10 Chandos Street
Cavendish Square
London
W1G 9DQ

Auditors RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
United Kingdom
EC4A 4AB

Aquazzura UK Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


Aquazzura UK Limited
(Registration number: 09580250)
Balance Sheet as at 31 December 2017

| | Note | 2017 £ | 2016 £ |
|---|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 239,498 | 293,048 |
| Current assets | | | |
| Stocks | 5 | 557,317 | 320,252 |
| Debtors | 6 | 114,456 | 105,846 |
| Cash at bank and in hand | | 118,054 | 383,338 |
| | | <u>789,827</u> | <u>809,436</u> |
| Creditors: Amounts falling due within one year | 7 | <u>(1,289,917)</u> | <u>(1,379,724)</u> |
| Net current liabilities | | <u>(500,090)</u> | <u>(570,288)</u> |
| Net liabilities | | <u>(260,592)</u> | <u>(277,240)</u> |
| Capital and reserves | | | |
| Called up share capital | | 1,000 | 1,000 |
| Profit and loss account | | <u>(261,592)</u> | <u>(278,240)</u> |
| Total equity | | <u>(260,592)</u> | <u>(277,240)</u> |

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 15/05/2018 and signed on its behalf by:



 C M Hogan
 Director

Aquazzura UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The principal activity of the company is included in the Directors' Report.

The address of its registered office is:

5th Floor, North Side
7/10 Chandos Street
Cavendish Square
London
W1G 9DQ

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 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the requirements of the Companies House Act 2006 as applicable to companies subject to the small companies regime.

The disclosure requirements of section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in £, which is the functional currency of the company.

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.

Name of parent group

These financial statements are consolidated in the financial statements of Aquazzura Investment Limited.

The financial statements of Aquazzura Investment Limited may be obtained from 5th Floor, North Side, 7-10 Chandos Street, London, W1G 9DQ, United Kingdom.

Going concern

The company remains dependent upon its ultimate parent company Aquazzura Investment Limited to provide ongoing financial support. The directors have had confirmation of the availability of ongoing group support and are satisfied that the group have sufficient financial resources to provide this. On this basis the directors consider that preparation of the company accounts on a going concern basis remains appropriate.

Revenue recognition

Turnover

The turnover shown in the profit and loss account represents the value of all goods sold during the period, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point of sale.

Aquazzura UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

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 rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

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

Leasehold improvements

Plant and machinery

Depreciation method and rate

over the remaining term of the lease on a straight line basis

20% straight line

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 initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, 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 comprises materials.

Net realisable value is the estimated selling prices less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Aquazzura UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

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 initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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. Rent free periods or other incentives received are accounted for as a reduction to the expense and are recognised on a straight line basis over the lease term.

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.

Aquazzura UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

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 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 trade and other creditors 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

EQUITY INSTRUMENTS

Equity instruments issued by the company are recorded at the fair value of 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.

Aquazzura UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 4 (2016 - 5).

4 Tangible assets

| | Long leasehold land and buildings £ | Other tangible assets £ | Total £ |
|------------------------|--|-------------------------------|----------------|
| Cost | | | |
| At 1 January 2017 | 128,126 | 242,231 | 370,357 |
| Additions | - | 9,318 | 9,318 |
| At 31 December 2017 | <u>128,126</u> | <u>251,549</u> | <u>379,675</u> |
| Depreciation | | | |
| At 1 January 2017 | 16,714 | 60,595 | 77,309 |
| Charge for the year | 13,339 | 49,529 | 62,868 |
| At 31 December 2017 | <u>30,053</u> | <u>110,124</u> | <u>140,177</u> |
| Carrying amount | | | |
| At 31 December 2017 | <u>98,073</u> | <u>141,425</u> | <u>239,498</u> |
| At 31 December 2016 | <u>111,412</u> | <u>181,636</u> | <u>293,048</u> |

5 Stocks

| | 2017 £ | 2016 £ |
|-------------------------------------|----------------|----------------|
| Finished goods and goods for resale | <u>557,317</u> | <u>320,252</u> |

6 Debtors

| | 2017 £ | 2016 £ |
|---------------|----------------|----------------|
| Trade debtors | 13,305 | 11,576 |
| Prepayments | 10,263 | 3,413 |
| Other debtors | <u>90,888</u> | <u>90,857</u> |
| | <u>114,456</u> | <u>105,846</u> |

Other debtors of £90,888 relates to a lease deposit due in more than 1 year from the balance sheet date.

Aquazzura UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

7 Creditors

Creditors: amounts falling due within one year

| | 2017 | 2016 |
|---|------------------|------------------|
| | £ | £ |
| Due within one year | | |
| Trade creditors | 20,162 | 41,383 |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | 1,147,955 | 1,262,709 |
| Taxation and social security | 12,166 | 9,229 |
| Other creditors | 109,634 | 66,403 |
| | <u>1,289,917</u> | <u>1,379,724</u> |

8 Parent and ultimate parent undertaking

The company's ultimate parent company during the year was Aquazzura Investment Limited, a company registered in the United Kingdom. Aquazzura Investment Limited is controlled by Edgardo Ivan Osorio Aduen, by virtue of their majority shareholding.

On 5 April 2018, a newly formed holding company, Aquazzura Holding S.A.R.L acquired the full share capital of Aquazzura Investment Limited. At the date of signing the financial statements, the ultimate parent company of Aquazzura UK Limited is Aquazzura Holding S.A.R.L.

Aquazzura Investment Limited heads the smallest and largest group for which consolidated financial statements are prepared. Its registered office is the same as Aquazzura UK Limited.

9 Taxation

The company has estimated losses of £311,223 (2016: £386,483) available for carry forward against operating profits.

On the basis of this financial statements, no provision has been made for corporation tax.

As there is uncertainty over the company's profits expected to be generated in the foreseeable future, no deferred tax asset has been recognised.

Aquazzura UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

10 Obligations under leases and hire purchase contracts

Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2017 | 2016 |
|---|----------------|----------------|
| | £ | £ |
| Not later than one year | 300,000 | 300,000 |
| Later than one year and not later than five years | 164,384 | 600,000 |
| | <u>464,384</u> | <u>900,000</u> |

11 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.
The senior statutory auditor was Richard Heap FCA.
The auditor was RSM UK Audit LLP.