

COMPANY REGISTRATION NUMBER: 11322625

Luxeone Ltd

Unaudited Financial Statements

30 April 2020

Luxeone Ltd

Directors' Report

Year ended 30 April 2020

The directors present their report and the unaudited financial statements of the company for the year ended 30 April 2020 .

Directors

The directors who served the company during the year were as follows:

Mr G Preece

Ms M G Leone Lemos

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 31 July 2020 and signed on behalf of the board by:

Mr G Preece

Director

Registered office:

Esplanade Hotel

Esplanade

Tenby

SA70 7DU

Luxeone Ltd

Statement of Comprehensive Income

Year ended 30 April 2020

		Year to 30 Apr 20	Period from 23 Apr 18 to 30 Apr 19
	Note	£	£
Turnover	4	186,933	122,329
Cost of sales		14,799	12,497
		-----	-----
Gross profit		172,134	109,832
Distribution costs		47,647	10,983
Administrative expenses		176,728	92,250
Other operating income	5	26,197	—
		-----	-----
Operating (loss)/profit	6	(26,044)	6,599
Interest payable and similar expenses	9	601	—
		-----	-----
(Loss)/profit before taxation		(26,645)	6,599
Tax on (loss)/profit		—	—
		-----	-----
(Loss)/profit for the financial year and total comprehensive income		(26,645)	6,599
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All the activities of the company are from continuing operations.

Luxeone Ltd

Statement of Financial Position

30 April 2020

		2020	2019
	Note	£	£
Fixed assets			
Intangible assets	10	137,250	144,875
Tangible assets	11	17,715	19,054
		-----	-----
		154,965	163,929
Current assets			
Debtors	12	8,828	13,104
Cash at bank and in hand		20,707	12,273
		-----	-----
		29,535	25,377
Creditors: amounts falling due within one year	13	185,201	182,705
		-----	-----
Net current liabilities		155,666	157,328
		-----	-----
Total assets less current liabilities		(701)	6,601
Creditors: amounts falling due after more than one year	14	19,245	—
		-----	-----
Net (liabilities)/assets		(19,946)	6,601
		-----	-----
Capital and reserves			
Called up share capital	16	100	2
Profit and loss account		(20,046)	6,599
		-----	-----
Shareholders (deficit)/funds		(19,946)	6,601
		-----	-----

For the year ending 30 April 2020 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 financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Luxeone Ltd

Statement of Financial Position *(continued)*

30 April 2020

These financial statements were approved by the board of directors and authorised for issue on 31 July 2020 , and are signed on behalf of the board by:

Mr G Preece

Director

Ms M G Leone Lemos

Director

Company registration number: 11322625

Luxeone Ltd

Statement of Cash Flows

Year ended 30 April 2020

	2020	2019
	£	£
Cash flows from operating activities		
(Loss)/profit for the financial year	(26,645)	6,599
<i>Adjustments for:</i>		
Depreciation of tangible assets	3,127	1,687
Amortisation of intangible assets	7,625	7,625
Government grant income	(26,197)	—
Interest payable and similar expenses	601	—
Accrued (income)/expenses	(735)	1,885
<i>Changes in:</i>		
Trade and other debtors	4,276	(13,104)
Trade and other creditors	2,765	8,227
	-----	-----
Cash generated from operations	(35,183)	12,919
Interest paid	(601)	—
	-----	-----
Net cash (used in)/from operating activities	(35,784)	12,919
	-----	-----
Cash flows from investing activities		
Purchase of tangible assets	(1,788)	(20,741)
Purchase of intangible assets	—	(152,500)
	-----	-----
Net cash used in investing activities	(1,788)	(173,241)
	-----	-----
Cash flows from financing activities		
Proceeds from issue of ordinary shares	98	2
Proceeds from borrowings	19,711	172,593
Government grant income	26,197	—
	-----	-----
Net cash from financing activities	46,006	172,595
	-----	-----
Net increase in cash and cash equivalents	8,434	12,273
Cash and cash equivalents at beginning of year	12,273	—
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Cash and cash equivalents at end of year	20,707	12,273
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Luxeone Ltd

Notes to the Financial Statements

Year ended 30 April 2020

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Esplanade Hotel, Esplanade, Tenby, SA70 7DU.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company is continuing on a going concern basis despite the loss in the current year. The company undertook major renovations of the hotel building during the off peak period and had anticipated the summer season would more than cover the costs which had been incurred. Unfortunately, the Covid-19 pandemic resulted in a lockdown of the business just as the peak season was about to start and this has impacted on the final result for the year. Currently, the directors consider that the business can reach approximately 50% of its peak season turnover provided the lockdown is eased in the way that is currently anticipated. In order to ensure survival, should the lockdown be extended, the company has applied for, and received, a Government backed Bounce Back loan in addition to a grant from the Welsh Government.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There were no significant judgements or estimations used in these accounts.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	15% reducing balance
Fixtures and fittings	-	15% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are 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 in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

4. Turnover

Turnover arises from:

	Year to	Period from
	30 Apr 20	23 Apr 18 to 30 Apr 19
	£	£
Rendering of services	186,933	122,329
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The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	Year to	Period from
	30 Apr 20	23 Apr 18 to 30 Apr 19
	£	£
Government grant income	26,197	—
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6. Operating profit

Operating profit or loss is stated after charging:

	Year to	Period from
	30 Apr 20	23 Apr 18 to 30 Apr 19
	£	£
Amortisation of intangible assets	7,625	7,625
Depreciation of tangible assets	3,127	1,687
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7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2020	2019
	No.	No.
Production staff	1	1
Management staff	1	1
	2	2

The aggregate payroll costs incurred during the year, relating to the above, were:

	Year to	Period from
	30 Apr 20	23 Apr 18 to 30 Apr 19
	£	£
Wages and salaries	14,029	13,693
Social security costs	37	—
	14,066	13,693

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	Year to	Period from
	30 Apr 20	23 Apr 18 to 30 Apr 19
	£	£
Remuneration	12,114	9,211

9. Interest payable and similar expenses

	Year to	Period from
	30 Apr 20	23 Apr 18 to 30 Apr 19
	£	£
Interest on banks loans and overdrafts	601	—

10. Intangible assets

	Goodwill
	£
Cost	
At 1 May 2019 and 30 April 2020	152,500
Amortisation	
At 1 May 2019	7,625
Charge for the year	7,625
At 30 April 2020	15,250
Carrying amount	
At 30 April 2020	137,250
At 30 April 2019	144,875

11. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 May 2019	2,252	18,489	20,741
Additions	467	1,321	1,788
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At 30 April 2020	2,719	19,810	22,529
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Depreciation			
At 1 May 2019	122	1,565	1,687
Charge for the year	390	2,737	3,127
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At 30 April 2020	512	4,302	4,814
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Carrying amount			
At 30 April 2020	2,207	15,508	17,715
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At 30 April 2019	2,130	16,924	19,054
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12. Debtors

	2020 £	2019 £
Trade debtors	—	12,671
Prepayments and accrued income	8,828	433
	-----	-----
	8,828	13,104
	-----	-----

13. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	3,571	—
Trade creditors	10,555	3,432
Accruals and deferred income	1,150	1,885
Social security and other taxes	437	4,795
Director loan accounts	169,488	172,593
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	185,201	182,705
	-----	-----

14. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	19,245	—
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15. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020 £	2019 £
Recognised in other operating income:		
Government grants recognised directly in income	26,197	—
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16. Called up share capital**Issued, called up and fully paid**

	2020		2019	
	No.	£	No.	£
Ordinary shares of £ 1 each	100	100	2	2
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17. Analysis of changes in net debt

	At 1 May 2019	Cash flows	At 30 Apr 2020
	£	£	£
Cash at bank and in hand	12,273	8,434	20,707
Debt due within one year	(172,593)	(466)	(173,059)
Debt due after one year	—	(19,245)	(19,245)
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	(160,320)	(11,277)	(171,597)
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