

COMPANY REGISTRATION NUMBER: 11322625

Luxeone Ltd

Unaudited Financial Statements

30 April 2021

Luxeone Ltd

Directors' Report

Year ended 30 April 2021

The directors present their report and the unaudited financial statements of the company for the year ended 30 April 2021 .

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 16 June 2021 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 2021

		2021	2020
	Note	£	£
Turnover	4	135,690	186,933
Cost of sales		9,385	14,799
		-----	-----
Gross profit		126,305	172,134
Distribution costs		17,086	47,647
Administrative expenses		150,768	176,728
Other operating income	5	28,738	26,197
		-----	-----
Operating loss	6	(12,811)	(26,044)
Other interest receivable and similar income	9	1	—
Interest payable and similar expenses	10	2,471	601
		-----	-----
Loss before taxation		(15,281)	(26,645)
Tax on loss		—	—
		-----	-----
Loss for the financial year and total comprehensive income		(15,281)	(26,645)
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All the activities of the company are from continuing operations.

Luxeone Ltd

Statement of Financial Position

30 April 2021

		2021	2020
	Note	£	£
Fixed assets			
Intangible assets	11	129,625	137,250
Tangible assets	12	18,711	17,715
		-----	-----
		148,336	154,965
Current assets			
Debtors	13	6,041	8,828
Cash at bank and in hand		47,245	20,707
		-----	-----
		53,286	29,535
Creditors: amounts falling due within one year	14	178,945	185,201
		-----	-----
Net current liabilities		125,659	155,666
		-----	-----
Total assets less current liabilities		22,677	(701)
Creditors: amounts falling due after more than one year	15	57,904	19,245
		-----	-----
Net liabilities		(35,227)	(19,946)
		-----	-----
Capital and reserves			
Called up share capital	17	100	100
Profit and loss account		(35,327)	(20,046)
		-----	-----
Shareholders deficit		(35,227)	(19,946)
		-----	-----

For the year ending 30 April 2021 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 2021

These financial statements were approved by the board of directors and authorised for issue on 16 June 2021 , 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 2021

	2021	2020
	£	£
Cash flows from operating activities		
Loss for the financial year	(15,281)	(26,645)
<i>Adjustments for:</i>		
Depreciation of tangible assets	3,303	3,127
Amortisation of intangible assets	7,625	7,625
Government grant income	(28,738)	(26,197)
Other interest receivable and similar income	(1)	—
Interest payable and similar expenses	2,471	601
Loss on disposal of tangible assets	402	—
Accrued income	—	(735)
<i>Changes in:</i>		
Trade and other debtors	2,787	4,276
Trade and other creditors	(5,587)	2,765
Cash generated from operations	(33,019)	(35,183)
Interest paid	(2,471)	(601)
Interest received	1	—
Net cash used in operating activities	(35,489)	(35,784)
Cash flows from investing activities		
Purchase of tangible assets	(4,700)	(1,788)
Proceeds from sale of tangible assets	(1)	—
Net cash used in investing activities	(4,701)	(1,788)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	—	98
Proceeds from borrowings	37,990	19,711
Government grant income	28,738	26,197
Net cash from financing activities	66,728	46,006
Net increase in cash and cash equivalents	26,538	8,434
Cash and cash equivalents at beginning of year	20,707	12,273
Cash and cash equivalents at end of year	47,245	20,707

Luxeone Ltd

Notes to the Financial Statements

Year ended 30 April 2021

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:

	2021	2020
	£	£
Rendering of services	135,690	186,933
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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

	2021	2020
	£	£
Government grant income	28,738	26,197
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6. Operating profit

Operating profit or loss is stated after charging:

	2021	2020
	£	£
Amortisation of intangible assets	7,625	7,625
Depreciation of tangible assets	3,303	3,127
Loss on disposal of tangible assets	402	—
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7. Staff costs

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

	2021	2020
	No.	No.
Production staff	4	1
Management staff	1	1
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	5	2
	---	---

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

	2021	2020
	£	£
Wages and salaries	29,105	14,029
Social security costs	232	37
	-----	-----
	29,337	14,066
	-----	-----

8. Directors' remuneration

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

	2021	2020
	£	£
Remuneration	12,078	12,114
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9. Other interest receivable and similar income

	2021	2020
	£	£
Interest on cash and cash equivalents	1	—
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10. Interest payable and similar expenses

	2021	2020
	£	£
Interest on banks loans and overdrafts	2,471	601
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11. Intangible assets

	Goodwill
	£
Cost	
At 1 May 2020 and 30 April 2021	152,500

Amortisation	
At 1 May 2020	15,250
Charge for the year	7,625

At 30 April 2021	22,875

Carrying amount	
At 30 April 2021	129,625

At 30 April 2020	137,250

12. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 May 2020	2,719	19,810	22,529
Additions	3,645	1,055	4,700
Disposals	(525)	—	(525)
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At 30 April 2021	5,839	20,865	26,704
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Depreciation			
At 1 May 2020	512	4,302	4,814
Charge for the year	818	2,485	3,303
Disposals	(124)	—	(124)
	-----	-----	-----
At 30 April 2021	1,206	6,787	7,993
	-----	-----	-----
Carrying amount			
At 30 April 2021	4,633	14,078	18,711
	-----	-----	-----
At 30 April 2020	2,207	15,508	17,715
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13. Debtors

	2021 £	2020 £
Trade debtors	3,118	—
Prepayments and accrued income	—	8,828
Other debtors	2,923	—
	-----	-----
	6,041	8,828
	-----	-----

14. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	14,476	3,571
Trade creditors	5,405	10,555
Accruals and deferred income	1,150	1,150
Social security and other taxes	—	437
Director loan accounts	157,914	169,488
	-----	-----
	178,945	185,201
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15. Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	57,904	19,245
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16. Government grants

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

	2021 £	2020 £
Recognised in other operating income:		
Government grants recognised directly in income	28,738	26,197

17. Called up share capital**Issued, called up and fully paid**

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 1 each	100	100	100	100
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18. Analysis of changes in net debt

	At 1 May 2020	Cash flows	At 30 Apr 2021
	£	£	£
Cash at bank and in hand	20,707	26,538	47,245
Debt due within one year	(173,059)	669	(172,390)
Debt due after one year	(19,245)	(38,659)	(57,904)
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	(171,597)	(11,452)	(183,049)
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