

## **Vivacy Laboratoires Ltd**

**Financial Statements**

**Period Ended**

**30 December 2019**

**Company Number 11649414**

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**Vivacy Laboratoires Ltd**  
Registered number:11649414

**Balance Sheet**  
**As at 30 December 2019**

	Note	2019 £
<b>Fixed assets</b>		
Tangible assets	5	218,121
		<u>218,121</u>
<b>Current assets</b>		
Stocks	6	113,627
Debtors: amounts falling due within one year	7	267,169
Cash at bank and in hand	8	72,573
		<u>453,369</u>
Creditors: amounts falling due within one year	9	<u>(1,301,501)</u>
<b>Net current (liabilities)</b>		<u>(848,132)</u>
<b>Total assets less current liabilities</b>		<u>(630,011)</u>
<b>Net (liabilities)</b>		<u><u>(630,011)</u></u>
<b>Capital and reserves</b>		
Called up share capital	10	1
Profit and loss account		(630,012)
		<u><u>(630,011)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 February 2021.

  
G J Connor  
Director

The notes on pages 3 to 9 form part of these financial statements.

# Vivacy Laboratoires Ltd

## Statement of Changes in Equity For the Period Ended 30 December 2019

	Called up share capital £	Profit and loss account £	Total equity £
<b>Comprehensive income for the period</b>			
Loss for the period	-	(630,012)	(630,012)
<b>Shares issued during the period</b>	1	-	1
<b>At 30 December 2019</b>	1	(630,012)	(630,011)

The notes on pages 3 to 9 form part of these financial statements.

# **Vivacy Laboratoires Ltd**

## **Notes to the Financial Statements For the Period Ended 30 December 2019**

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### **1. General Information**

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the Company's transactions are denominated. They comprise the financial statements of the Company for the period from 31 October 2018 to 31 December 2019 and are presented to the nearest pound.

The principal activity of the Company during the period was that of the sale of cosmetics.

The Company has determined that GBP is its functional currency, as this is the currency of the economic environment in which the Company predominantly operates.

The Company is a United Kingdom private company limited by shares. It is both incorporated and domiciled in England and Wales. The registered office address is 1st floor 14 Berkeley Street, London, W1J 8DX.

### **2. Accounting policies**

#### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### **2.2 Going concern**

The directors of the company are currently assessing the impact of COVID-19. The situation is continually evolving and it is not possible at this stage to determine with any certainty the impact on the company, its customers, employees and suppliers. However, depending on the severity and length of the crisis there is a risk that the Company could require further funding or support. The directors are continually reviewing their plans and forecasts and will make sufficient funds available so that the company can meet its liabilities as they fall due and will continue to do so, for at least 12 months from the date of approval of these accounts.

Indeed since the year end the parent company has provided additional funding totalling £190k in the form of loans and have also provide a deed of support to the Company covering a period of 12 months following the signing of these financial statements. As such these accounts have been prepared based on the Company's ability to continue trading as a going concern for the foreseeable future. The financial statements make no provision for any adjustment should the going concern basis not be appropriate.

# **Vivacy Laboratoires Ltd**

## **Notes to the Financial Statements For the Period Ended 30 December 2019**

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### **2. Accounting policies (continued)**

#### **2.3 Foreign currency translation**

##### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

#### **2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **2.5 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

# **Vivacy Laboratoires Ltd**

## **Notes to the Financial Statements For the Period Ended 30 December 2019**

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### **2. Accounting policies (continued)**

#### **2.6 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### **2.7 Pensions**

##### **Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

#### **2.8 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20% straight line basis
Office equipment	-	33% straight line basis
Computer equipment	-	33% straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

#### **2.9 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

# **Vivacy Laboratoires Ltd**

## **Notes to the Financial Statements For the Period Ended 30 December 2019**

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### **2. Accounting policies (continued)**

#### **2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment. Other debtors are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### **2.11 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### **2.12 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities including amounts owed to parent company are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### **2.13 Financial instruments**

Financial instruments are recognised in the Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are measured as set out below. A financing transaction is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### **Classification**

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102.

##### **Subsequent measurement**

Payables and receivables are measured at amortised cost, using the effective interest method. Trade debtors and trade creditors are recognised at the undiscounted amount owed by the customer or to the supplier, which is normally the invoice amount.

### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Due to the simplicity of the Company's transaction streams and year-end financial position, the directors consider there to be no critical judgements, estimates or assumptions in the preparation of these financial statements.

# Vivacy Laboratoires Ltd

## Notes to the Financial Statements For the Period Ended 30 December 2019

### 4. Employees

The average monthly number of employees, including directors, during the period was 3.

### 5. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
Additions	208,758	32,175	23,323	264,256
At 30 December 2019	208,758	32,175	23,323	264,256
<b>Depreciation</b>				
Charge for the period on owned assets	33,053	8,460	4,622	46,135
At 30 December 2019	33,053	8,460	4,622	46,135
<b>Net book value</b>				
At 30 December 2019	175,705	23,715	18,701	218,121

### 6. Stocks

	2019 £
Finished goods and goods for resale	113,627
	113,627



# Vivacy Laboratoires Ltd

## Notes to the Financial Statements For the Period Ended 30 December 2019

### 7. Debtors

	2019 £
Trade debtors	43,636
Other debtors	167,197
Prepayments and accrued income	56,336
	<u>267,169</u>

### 8. Cash and cash equivalents

	2019 £
Cash at bank and in hand	72,573
	<u>72,573</u>

### 9. Creditors: Amounts falling due within one year

	2019 £
Trade creditors	292,613
Amounts owed to parent company	914,306
Other taxation and social security	8,186
Other creditors	1,133
Accruals and deferred income	85,263
	<u>1,301,501</u>

The amounts owed to parent company are loans which attract an interest rate of 2.5% per annum and are unsecured and repayable on demand.

# Vivacy Laboratoires Ltd

## Notes to the Financial Statements For the Period Ended 30 December 2019

### 10. Share capital

	2019 £
<b>Allotted, called up and fully paid</b>	
1 Ordinary share of £1.00	<u>1</u>

On 30 October 2018, 1 ordinary £1 share was issued at par.

### 11. Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A of Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

### 12. Post balance sheet events

The impact of the COVID-19 outbreak, which occurred after the reporting date, continues to evolve and will require continued assessment as the pandemic plays out. The rapid development of the COVID-19 virus makes it very difficult to estimate the ultimate impact at this stage and, due to the fluidity of the situation, it is currently not practical to either ascertain or quantify the impact on the company. In the directors' view, Covid-19 is considered to be a non-adjusting subsequent event and no adjustment to the financial statements has been made as a result.

### 13. Controlling party

The ultimate parent company is Dylan SARL, a company incorporated in Luxembourg.

The immediate parent company is Vivacy International SA, a company incorporated in Switzerland, which is the parent of both the smallest and largest group of which the company is a member for which consolidated financial statements are prepared and publicly available.

### 14. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified. The audit report was signed on by Gareth Jones (Senior Statutory Auditor) on 25 February 2021 behalf of BDO LLP.