

Aqua Air Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 March 2020



HALLIDAYS

Aqua Air Limited

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Aqua Air Limited

(Registration number: 02920860)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	25,704	31,743
Current assets			
Stocks	<u>5</u>	199,487	112,222
Debtors	<u>6</u>	94,984	54,945
Cash at bank and in hand		815	52,284
		295,286	219,451
Creditors: Amounts falling due within one year	<u>7</u>	(246,332)	(160,247)
Net current assets		48,954	59,204
Total assets less current liabilities		74,658	90,947
Creditors: Amounts falling due after more than one year	<u>7</u>	(159,289)	(180,275)
Net liabilities		(84,631)	(89,328)
Capital and reserves			
Called up share capital	<u>9</u>	875	875
Share premium reserve		194,300	194,300
Profit and loss account		(279,806)	(284,503)
Shareholders' deficit		(84,631)	(89,328)

For the financial year ending 31 March 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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.

Aqua Air Limited

(Registration number: 02920860)
Balance Sheet as at 31 March 2020

Approved and authorised by the Board on 14 July 2020 and signed on its behalf by:

P A Beech
Director

Aqua Air Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

1 General information

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

The address of its registered office is:

Rainbow House
Denfield Smithy
Chester Road
Bucklow Hill
Cheshire
WA16 6RP

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 have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

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.

Going concern

The financial statements have been prepared on a going concern basis. The directors have reviewed the performance of the company since the year end and confirmed that there are sufficient cashflows to meet on-going liabilities. The directors are satisfied that there are no material uncertainties that may cast doubt about the ability of the company to continue as a going concern.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

The functional currency of the company is GBP. Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the income statement.

Aqua Air Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet 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	Depreciation method and rate
Property improvements	20% reducing balance
Other tangibles	15% straight line
Fixtures and fittings	15% straight line
Motor vehicles	25% 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.

Aqua Air Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

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.

Aqua Air Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 6 (2019 - 6).

Aqua Air Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

4 Tangible assets

	Property Improvements £	Furniture, fittings and equipment £	Other Tangibles £	Total £
Cost or valuation				
At 1 April 2019	32,102	105,822	16,266	154,190
Additions	1,400	952	-	2,352
At 31 March 2020	33,502	106,774	16,266	156,542
Depreciation				
At 1 April 2019	18,684	88,113	15,650	122,447
Charge for the year	2,964	4,811	616	8,391
At 31 March 2020	21,648	92,924	16,266	130,838
Carrying amount				
At 31 March 2020	11,854	13,850	-	25,704
At 31 March 2019	13,418	17,709	616	31,743

Aqua Air Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

5 Stocks

	2020 £	2019 £
Work in progress	102,820	-
Other inventories	96,667	112,222
	<u>199,487</u>	<u>112,222</u>

6 Debtors

	2020 £	2019 £
Trade debtors	92,597	53,864
Prepayments	716	1,081
Other debtors	1,671	-
	<u>94,984</u>	<u>54,945</u>

7 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	<u>8</u>	25,886	18,622
Trade creditors		78,628	13,010
Amounts owed to group undertakings and undertakings in which the company has a participating interest	<u>10</u>	25,000	-
Taxation and social security		3,635	16,691
Accruals and deferred income		17,799	26,138
Other creditors		95,384	85,786
		<u>246,332</u>	<u>160,247</u>

Creditors: amounts falling due after more than one year

	Note	2020 £	2019 £
Due after one year			
Loans and borrowings	<u>8</u>	<u>159,289</u>	<u>180,275</u>

Aqua Air Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

8 Loans and borrowings

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	159,289	180,275

Creditor amounts falling due after one year includes the above liabilities, on which security has been given by the company.

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	19,654	18,622
Bank overdrafts	6,232	-
	25,886	18,622

Creditors amounts falling due within one year includes the above liabilities, on which security has been given by the company.

Bank Borrowings

The bank has a debenture held over all monies due or to become due from the company to the bank on any account whatsoever including invoice financing. It is a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, uncalled capital, buildings, fixtures, fixed plant & machinery.

Operating leases

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Not later than one year	-	3,057

The amount of non-cancellable operating lease payments recognised as an expense during the year was £2,369 (2019 - £3,114).

Aqua Air Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2020

9 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	525	525	525	525
Ordinary B shares of £1 each	350	350	350	350
	875	875	875	875

10 Related party transactions

Summary of transactions with other related parties

B V Bladon is a director and shareholder of Aqua Air Limited and Barry Baldon (Hale) Limited.

During the year Aqua Air Limited received management charges from Barry Bladon (Hale) Limited of £18,000 (2019 £24,335). The company also received a loan advance of £25,000 (2019 £nil). At the balance sheet date, amounts owed to Barry Bladon (Hale) Limited was £25,000 (2019 £nil).

The outstanding amount is interest free and repayable upon demand.

11 Parent and ultimate parent undertaking

The ultimate controlling party is B V Bladon.

Yew Street

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