

COMPANY REGISTRATION NUMBER: 07581376

The Hair Lounge Rossett Limited
Filleted Unaudited Financial Statements
31 March 2021

The Hair Lounge Rossett Limited

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	4,893	5,330
Current assets			
Stocks		12,000	11,000
Debtors	6	26,187	718
Cash at bank and in hand		45,473	23,381
		83,660	35,099
Creditors: amounts falling due within one year	7	48,934	26,995
Net current assets		34,726	8,104
Total assets less current liabilities		39,619	13,434
Creditors: amounts falling due after more than one year	8	41,667	—
Net (liabilities)/assets		(2,048)	13,434
Capital and reserves			
Called up share capital		3	3
Profit and loss account		(2,051)	13,431
Shareholders (deficit)/funds		(2,048)	13,434

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 March 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 .

The Hair Lounge Rossett Limited

Statement of Financial Position *(continued)*

31 March 2021

These financial statements were approved by the board of directors and authorised for issue on 13 July 2021 , and are signed on behalf of the board by:

D V Wilson

Director

F E Cupit

Director

K F Castell

Director

Company registration number: 07581376

The Hair Lounge Rossett Limited

Notes to the Financial Statements

Year ended 31 March 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 Beechfield House, Station Road, Rossett, Wrexham, LL12 0HE.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of 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. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The use of the going concern basis is appropriate but there are material uncertainties related to events caused by the Covid-19 pandemic that may cast significant doubt about the ability of the company to continue as a going concern.

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.

Revenue recognition

The turnover shown in the profit and loss account represents the amounts due for the work completed during the year and excludes VAT.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

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	-	25% reducing balance
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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.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

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.

Financial instruments

The following assets and liabilities within the accounts are classified as financial instruments - trade debtors, trade creditors and directors loans. Directors loans (being repayable upon demand), trade debtors and trade creditors, are measured at the undiscounted amount of cash or other consideration expected to be paid or received. Financial assets that are measured at amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If such evidence is found, an impairment loss is recognised in the statement of Income and Retained Earnings.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 7 (2020: 7).

5. Tangible assets

	Plant and machinery £	Total £
Cost		
At 1 April 2020	19,868	19,868
Additions	1,666	1,666
Disposals	(1,059)	(1,059)
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At 31 March 2021	20,475	20,475
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Depreciation		
At 1 April 2020	14,538	14,538
Charge for the year	1,632	1,632
Disposals	(588)	(588)
	-----	-----
At 31 March 2021	15,582	15,582
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Carrying amount		
At 31 March 2021	4,893	4,893
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At 31 March 2020	5,330	5,330
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6. Debtors

	2021 £	2020 £
Other debtors	26,187	718
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7. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	8,334	—
Social security and other taxes	18,969	23,810
Other creditors	21,631	3,185
	<u>48,934</u>	<u>26,995</u>

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

	2021	2020
	£	£
Bank loans and overdrafts	41,667	—
	<u>41,667</u>	<u>—</u>

9. Directors' advances, credits and guarantees

The directors operate a current account within the company. The balance of the directors loan account the year is as follows :

	31st March 2020
	£
Opening Balance	726
Movements in year	1,498
	<u>2,223</u>
Closing Balance	<u>2,223</u>

The account is repayable on demand and interest free.

10. Related party transactions

The directors who are also shareholders, own a property that was rented to the company in the year. The total amount of rent paid by the company to the directors for the property in the year was £22,608. The amount outstanding to the directors at the year end was £nil. The company operated a loan account with a partnership in which the directors are partners. £22,868 was owed to the company at the end of the period. No further transactions with related parties were undertaken such as are required to be disclosed other than the operation of a directors loan account.

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