Company Registration No. 02383895 (England and Wales)

EXCLUSIVE LINENS LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

EXCLUSIVE LINENS LIMITED

COMPANY INFORMATION

Directors	Mr R Waistell Mrs R Waistell Mr C Waistell
Secretary	Mrs R Waistell
Company number	02383895
Registered office	Unit 7 Finway Dallow Road Luton Beds LU1 1TR
Accountants	Mercer & Hole 72 London Road St Albans Hertfordshire AL1 1NS
Bankers	Barclays Bank plc 16 - 18 St Peter's Street St Albans Herts AL3 4DZ

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their annual report and financial statements for the year ended 31 March 2020.

Principal activities
The principal activities of the company in the year was that of the supply of linen to the hotel industry.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R Waistell
Mrs R Waistell
Mr C Waistell

Future developments
The company remains committed to providing quality service to its customers and to continued investment in new technology.

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

On behalf of the board

Rosemary E Waistell
....
Mrs R Waistell
Director

Date: 25th March 2021

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF EXCLUSIVE LINENS LIMITED FOR THE YEAR ENDED 31 MARCH 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Exclusive Linens Limited for the year ended 31 March 2020 set out on pages 3 to 11 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/members/regulations-standards-and-guidance.

This report is made solely to the Board of Directors of Exclusive Linens Limited, as a body, in accordance with the terms of our engagement letter dated 24 March 2021. Our work has been undertaken solely to prepare for your approval the financial statements of Exclusive Linens Limited and state those matters that we have agreed to state to the Board of Directors of Exclusive Linens Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Exclusive Linens Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Exclusive Linens Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Exclusive Linens Limited. You consider that Exclusive Linens Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Exclusive Linens Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Mercer & Hole

Mercer & Hole

Chartered Accountants

29 March 2021
....

72 London Road
St Albans
Hertfordshire
AL1 1NS

EXCLUSIVE LINENS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Turnover	8,155,823	8,961,840
Cost of sales	(6,836,693)	(7,304,184)
Gross profit	1,319,130	1,657,656
Distribution costs	(161,152)	(197,652)
Administrative expenses	(822,795)	(820,825)
Operating profit	335,183	639,179
Interest receivable and similar income	3,955	1,063
Profit before taxation	339,138	640,242
Tax on profit	(68,802)	(118,893)
Profit for the financial year	270,336	521,349

EXCLUSIVE LINENS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4		640,990		654,838
Current assets					
Stocks		1,535,060		2,187,989	
Debtors	5	1,562,579		2,249,649	
Cash at bank and in hand		2,466,554		1,308,280	
		5,564,193		5,745,918	
Creditors: amounts falling due within one year	6	(341,520)		(682,429)	
Net current assets			5,222,673		5,063,489
Total assets less current liabilities			5,863,663		5,718,327
Capital and reserves					
Called up share capital	7		100		100
Profit and loss reserves			5,863,563		5,718,227
Total equity			5,863,663		5,718,327

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved by the board of directors and authorised for issue on .... and are signed on its behalf by:

Rosemary E Waistell.

Mrs R Waistell
Director

Company Registration No. 02383895

25th March 2021.

EXCLUSIVE LINENS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 April 2018		100	5,206,878	5,206,978
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	521,349	521,349
Dividends		-	(10,000)	(10,000)
Balance at 31 March 2019		100	5,718,227	5,718,327
Year ended 31 March 2020:				
Profit and total comprehensive income for the year		-	270,336	270,336
Dividends		-	(125,000)	(125,000)
Balance at 31 March 2020		100	5,863,563	5,863,663

1 Accounting policies

Company information

Exclusive Linens Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 7, Finway, Dallow Road, Luton, Beds, LU1 1TR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, The principal accounting policies adopted are set out below.

1.2 Going concern

Following the declaration of a worldwide COVID-19 pandemic by the World Health Organisation in March 2020, the impact of the virus has been dominating the world social and economic climate presenting all businesses with a unique set of circumstances increasing the unpredictability of future trading conditions and threatening the global economy.

The directors have considered the impact this situation has had on operations since the year end. The company has experienced a significant downturn in trading due to reduced demand. The directors hope that as the latest lockdown restrictions begin to ease service can start to return to normal. Forecasts for the next 12 months indicate that the company will have sufficient funds to settle liabilities as they fall due and the directors will continue to monitor the situation.

The directors are therefore confident that the going concern basis is appropriate for the preparation of these financial statements.

1.3 Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% reducing balance
Plant and machinery	15% reducing balance
Office furniture and fittings	15% reducing balance
Motor vehicles	25% reducing balance

1 Accounting policies **(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies **(Continued)**

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	13	12

3 Directors' remuneration and dividends

	2020	2019
	£	£
Remuneration paid to directors	177,036	174,199
Dividends paid to directors	125,000	10,000

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2019: 1).

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2019	561,484	231,629	793,113
Additions	-	10,978	10,978
At 31 March 2020	561,484	242,607	804,091
Depreciation and impairment			
At 1 April 2019	27,027	111,248	138,275
Depreciation charged in the year	5,074	19,752	24,826
At 31 March 2020	32,101	131,000	163,101
Carrying amount			
At 31 March 2020	529,383	111,607	640,990
At 31 March 2019	534,457	120,381	654,838

5 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Trade debtors	1,535,986	2,194,051
Other debtors	4,192	43,556
Prepayments and accrued income	22,401	12,042
	1,562,579	2,249,649

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	201,352	486,507
Corporation tax	68,802	118,915
Other taxation and social security	12,075	14,011
Other creditors	28,794	28,520
Accruals and deferred income	30,497	34,476
	341,520	682,429

7 Called up share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100

8 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
Within one year	2,179	2,179
Between two and five years	4,903	7,083
	7,082	9,262

9 Events after the reporting date

For these financial statements, the COVID-19 outbreak and related impacts are considered non-adjusting events, Consequently, there is no impact on the recognition and measurement of assets and liabilities. The directors have considered the potential impact this may have on future operations as outlined in note 1.2 and will continue to closely monitor the impact of the COVID-19 outbreak on the business activities of the company.

10 Related party transactions

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2020 £	2019 £
Key management personnel	28,794	28,520