

Unaudited Financial Statements for the Year Ended 31 December 2020

for

LUZZO BESPOKE LIMITED

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for the year ended 31 December 2020**

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LUZZO BESPOKE LIMITED

**Company Information
for the year ended 31 December 2020**

DIRECTOR:	B C Challenger
REGISTERED OFFICE:	Claydons Barns 11 Towcester Road Whittlebury Northants NN12 8XU
REGISTERED NUMBER:	04193991 (England and Wales)
ACCOUNTANTS:	Neuhoff & Co Chartered Accountants Claydons Barns 11 Towcester Road Whittlebury Northamptonshire NN12 8XU
BANKERS:	Lloyds TSB 30 Market Place Brackley Northamptonshire NN13 7BA

LUZZO BESPOKE LIMITED (REGISTERED NUMBER: 04193991)

**Balance Sheet
31 December 2020**

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	4		127,100		165,050
Tangible assets	5		15,327		98,778
Investments	6		<u>67,500</u>		<u>67,500</u>
			209,927		331,328
CURRENT ASSETS					
Stocks		403,035		427,532	
Debtors	7	611,798		467,418	
Cash at bank and in hand		<u>57,167</u>		<u>62,326</u>	
		1,072,000		957,276	
CREDITORS					
Amounts falling due within one year	8	<u>1,425,486</u>		<u>1,423,957</u>	
NET CURRENT LIABILITIES			<u>(353,486)</u>		<u>(466,681)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(143,559)		(135,353)
CREDITORS					
Amounts falling due after more than one year	9		(199,388)		(211,598)
PROVISIONS FOR LIABILITIES			<u>(531)</u>		<u>(15,863)</u>
NET LIABILITIES			<u><u>(343,478)</u></u>		<u><u>(362,814)</u></u>
CAPITAL AND RESERVES					
Called up share capital			30,000		30,000
Retained earnings			<u>(373,478)</u>		<u>(392,814)</u>
SHAREHOLDERS' FUNDS			<u><u>(343,478)</u></u>		<u><u>(362,814)</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31 December 2020

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 23 August 2021 and were signed by:

B C Challenger - Director

**Notes to the Financial Statements
for the year ended 31 December 2020**

1. STATUTORY INFORMATION

Luzzo Bespoke Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Directors consider that the company has adequate financial resources to continue in operational existence for the foreseeable future and to meet its liabilities as they fall due. Therefore the Directors continue to adopt the going concern basis of accounting in preparing the Financial Statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Development costs

The company is engaged in the development of a number of bespoke products for certain major customers, the costs of which it has initially borne in full. The progress and costs incurred in respect of each development project are monitored and reviewed regularly and the company has decided to adopt the following policy with regards to these specific costs: Once a project has been completed the development costs will be written off over a maximum period of three years unless in that time the project has been accepted by the customer and put into production. In this case the development costs will be written off as soon as practicable against the orders received.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 20% on cost

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the year ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

The Directors have considered the provisions of FRS 102 Section 1A in relation to the company's Hire Purchase commitments and calculated interest charges using the recommended Effective Interest Method. (EIM). The company has not accounted for interest charges using this method previously.. A comparison has been undertaken to quantify the effects of the change in adopting the EIM which concluded that the resulting difference was not material in relation to existing contracts due to expire within 12 months of the Balance Sheet date. Therefore no adjustment in respect of these charges has been made in the Financial Statements for the year ended 31 December 2020 or the comparative year ended 31 December 2019.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Investment asset

The company has established a Design Studio primarily as a Showcase for the company's exclusive products. The contents of the Studio are not intended for direct retail but do retain a significant value both in terms of the cost of their production and their ongoing asset value.. The asset is included at a valuation established by the Directors and reviewed annually in accordance with current Accounting Standards. The Directors consider that the value as stated in the accounts continues to represent fair value.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 27 (2019 - 31) .

4. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 January 2020 and 31 December 2020	<u>280,600</u>
AMORTISATION	
At 1 January 2020	115,550
Charge for year	<u>37,950</u>
At 31 December 2020	<u>153,500</u>
NET BOOK VALUE	
At 31 December 2020	<u>127,100</u>
At 31 December 2019	<u>165,050</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2020

4. INTANGIBLE FIXED ASSETS - continued

Intangible fixed assets represent Development Costs as referred to in Note 2 to the Financial Statements.

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 January 2020	969,258
Additions	2,380
Disposals	(141,504)
At 31 December 2020	<u>830,134</u>
DEPRECIATION	
At 1 January 2020	870,480
Charge for year	85,545
Eliminated on disposal	(141,218)
At 31 December 2020	<u>814,807</u>
NET BOOK VALUE	
At 31 December 2020	<u>15,327</u>
At 31 December 2019	<u>98,778</u>

6. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2020 £	2019 £
Design studio display products	<u>67,500</u>	<u>67,500</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	526,588	397,962
Other debtors	<u>85,210</u>	<u>69,456</u>
	<u>611,798</u>	<u>467,418</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Bank loans and overdrafts	50,000	-
Hire purchase contracts	44,993	85,140
Trade creditors	149,784	169,051
Taxation and social security	221,700	92,099
Other creditors	<u>959,009</u>	<u>1,077,667</u>
	<u>1,425,486</u>	<u>1,423,957</u>

**Notes to the Financial Statements - continued
for the year ended 31 December 2020**

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Hire purchase contracts	-	31,951
Other creditors	199,388	179,647
	<u>199,388</u>	<u>211,598</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Other loans	<u>141,856</u>	<u>162,067</u>

The company borrowed the sum of £208,000 in May 2009 from the Luzzo Bespoke Retirement and Death Benefit Scheme (formerly the Frazero Retirement and Death Benefit Scheme) for the acquisition of Plant and Machinery. This sum was originally repayable over 5 years with interest payable at the rate of 7% per annum (subject to annual review). The loan is currently being repaid by monthly instalments of capital and interest designed for full repayment to be achieved in 2021. The loan is secured by a Legal Charge dated 1 May 2009 by way of a first floating charge over the undertaking, goodwill and assets of the company.

As at 31 December 2020 the total amount outstanding amounted to £141,856 (2019 - £132,066).

On 19 May 2010 a Rent Deposit Deed was created between the company and Midwinter Property Holdings Limited, the company's landlord. The deed secures that part of the annual rent which was covered by the amount of the Rent Deposit held on behalf of the landlord in respect of a lease dated 27 April 2009.

The late Mr A F Sawyer, Director, had given a personal guarantee in respect of the company's overdraft facility of £10,000 which remained effective at the 31 December 2019.

Included in other creditors is an amount of £184,617 outstanding to Investec Commercial Finance Limited (2019 - £230,617 outstanding to Amicus Commercial Finance Limited) under the terms of a Receivables Finance Agreement dated 18 September 2017). These funds are secured by a Fixed and Floating charge dated 10 October 2017 on the assets of the company.

11. FINANCIAL INSTRUMENTS

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties, loans to related third parties and investments in non-puttable ordinary shares.

12. OTHER FINANCIAL COMMITMENTS

At 31 December 2020 the company had total commitments under non-cancellable operating leases over the remaining life of those leases of £13,769 (2019 - £3,096).

**Notes to the Financial Statements - continued
for the year ended 31 December 2020**

13. POST BALANCE SHEET EVENTS

The COVID-19 pandemic has affected the company's trading activities during the year in keeping with many other businesses globally. the year end in keeping with many other businesses. However the company has continued to trade throughout the financial year and has taken advantage of Government and local Authority Grants made available to businesses throughout that period.

To the date of approval of these financial statements the company has continued to trade and its order book is such that the Director remains positive that the company can withstand the continued difficulties and uncertainties which prevail as a result of the pandemic.

14. GOING CONCERN

The company has received short term funding from its major shareholder, Automotive Trim Developments Limited (ATD Limited). ATD Limited will not seek repayment of these funds until it is deemed appropriate to do so. This, together with a continued improvement in the company's financial position in the current financial year, have resulted in the confidence of the Directors that the company can meet its financial obligations as they fall due for a period of twelve months from the date of the approval of these accounts.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.