

Salon Twenty Twelve Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 30 November 2020

Salon Twenty Twelve Ltd

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Salon Twenty Twelve Ltd

Company Information

Directors	Jeanette Dowling Clare Colford
Registered office	8 The Courtyard Goldsmith Way Eliot Business Park Nuneaton Warwickshire CV10 7RJ
Accountants	Pattinsons Business Services Limited 8 The Courtyard Goldsmith Way Eliot Business Park Nuneaton CV10 7RJ

Salon Twenty Twelve Ltd

Directors' Report for the Year Ended 30 November 2020

The directors present their report and the financial statements for the year ended 30 November 2020.

Directors of the company

The directors who held office during the year were as follows:

Jeanette Dowling

Clare Colford

Principal activity

The principal activity of the company is that of a hair and beauty salon

Going concern

As explained in note 2, the company has been materially and adversely affected by the effects of the Covid-19 pandemic. Due to many closures across the country and due to lockdown restrictions the operating results have been negatively impacted. The directors continue to support the company and therefore the accounts have been prepared on a going concern basis.

Small companies provision statement

This report has 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.

Approved by the Board on 23 March 2021 and signed on its behalf by:

.....
Jeanette Dowling
Director

**Accountants' Report to the Board of Directors on the Preparation of the Unaudited Statutory
Accounts of
Salon Twenty Twelve Ltd
for the Year Ended 30 November 2020**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Salon Twenty Twelve Ltd for the year ended 30 November 2020 as set out on pages 4 to 9 from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of Salon Twenty Twelve Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Salon Twenty Twelve Ltd and state those matters that we have agreed to state to the Board of Directors of Salon Twenty Twelve Ltd, as a body. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Salon Twenty Twelve Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Salon Twenty Twelve Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Salon Twenty Twelve Ltd. You consider that Salon Twenty Twelve Ltd 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 accounts of Salon Twenty Twelve Ltd. 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 accounts.

.....
Pattinsons Business Services Limited
8 The Courtyard
Goldsmith Way
Eliot Business Park
Nuneaton
CV10 7RJ

23 March 2021

Salon Twenty Twelve Ltd
(Registration number: 08097302)
Balance Sheet as at 30 November 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>6</u>	724	1,000
Current assets			
Stocks	<u>7</u>	2,900	2,900
Debtors	<u>8</u>	4,986	1,995
Cash at bank and in hand		27,382	28,416
		35,268	33,311
Creditors: Amounts falling due within one year	<u>9</u>	(63,879)	(65,302)
Net current liabilities		(28,611)	(31,991)
Net liabilities		(27,887)	(30,991)
Capital and reserves			
Called up share capital	<u>10</u>	100	100
Profit and loss account		(27,987)	(31,091)
Shareholders' deficit		(27,887)	(30,991)

For the financial year ending 30 November 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.

Approved and authorised by the Board on 23 March 2021 and signed on its behalf by:

.....

Jeanette Dowling
Director

Salon Twenty Twelve Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 November 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:

8 The Courtyard
Goldsmith Way
Eliot Business Park
Nuneaton
Warwickshire
CV10 7RJ

These financial statements were authorised for issue by the Board on 23 March 2021.

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 company has been materially and adversely affected by the effects of the Covid-19 pandemic. Due to many closures across the country and due to lockdown restrictions the operating results have been negatively impacted. The directors continue to support the company and therefore the accounts have been prepared on a going concern basis.

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.

Government grants

The accrual model is adopted for the recognition of grant income received.

Tax

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.

Salon Twenty Twelve Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 November 2020

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
Office equipment	3 years straight line
Fixtures and fittings	25% straight line
Plant and machinery	25% straight line
Leasehold property improvement	6 years straight line

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	6 years 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.

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Notes to the Unaudited Financial Statements for the Year Ended 30 November 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.

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.

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.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks, other third parties and loans to related parties.

3 Staff numbers

The average number of persons employed by the company during the year, was 4 (2019 - 4).

4 Profit before tax

Arrived at after charging/(crediting)

	2020	2019
	£	£
Depreciation expense	276	183

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Notes to the Unaudited Financial Statements for the Year Ended 30 November 2020

5 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 December 2019	8,000	8,000
At 30 November 2020	8,000	8,000
Amortisation		
At 1 December 2019	8,000	8,000
At 30 November 2020	8,000	8,000
Carrying amount		
At 30 November 2020	-	-

6 Tangible assets

	Furniture, fittings and equipment £	Plant and machinery £	Total £
Cost or valuation			
At 1 December 2019	15,894	25,606	41,500
Disposals	(128)	-	(128)
At 30 November 2020	15,766	25,606	41,372
Depreciation			
At 1 December 2019	14,894	25,606	40,500
Charge for the year	276	-	276
Eliminated on disposal	(128)	-	(128)
At 30 November 2020	15,042	25,606	40,648
Carrying amount			
At 30 November 2020	724	-	724
At 30 November 2019	1,000	-	1,000

7 Stocks

	2020 £	2019 £
Other inventories	2,900	2,900

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Notes to the Unaudited Financial Statements for the Year Ended 30 November 2020

8 Debtors

	2020 £	2019 £
Prepayments	1,257	1,995
Other debtors	3,729	-
	<u>4,986</u>	<u>1,995</u>

9 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Trade creditors		778	1,755
Taxation and social security		-	608
Other creditors		63,101	62,939
		<u>63,879</u>	<u>65,302</u>

10 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

11 Government grants

During the period the company received government grants in support for the ongoing pandemic Covid-19. All grants received have been recognised using the accrual model.

The amount of grants recognised in the financial statements was £28,641 (2019 - £Nil).

Eliot Business Park

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the Companies Act 2006.