

Unaudited Financial Statements for the Year Ended 31 December 2021

for

Beautystack Limited

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for the year ended 31 December 2021**

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Beautystack Limited

**Company Information
for the year ended 31 December 2021**

DIRECTOR:

Ms S A Reid

REGISTERED OFFICE:

3RD FLOOR 1 ASHLEY ROAD
ALTRINCHAM
CHESHIRE
UNITED KINGDOM
WA14 2DT

REGISTERED NUMBER:

10736703 (England and Wales)

ACCOUNTANTS:

Flinder Effect Limited
Certified Chartered Accountants (ACCA)
71-75 Shelton Street
Covent Garden
London
WC2H 9JQ

Beautystack Limited (Registered number: 10736703)**Statement of Financial Position
31 December 2021**

| | Notes | 2021 £ | 2020 £ |
|--|-------|--------------------|------------------|
| FIXED ASSETS | | | |
| Intangible assets | 5 | 128,048 | 142,037 |
| Tangible assets | 6 | <u>73,133</u> | <u>120,829</u> |
| | | 201,181 | 262,866 |
| CURRENT ASSETS | | | |
| Debtors | 7 | 232,907 | 365,835 |
| Cash at bank | | <u>579,157</u> | <u>1,255,438</u> |
| | | 812,064 | 1,621,273 |
| CREDITORS | | | |
| Amounts falling due within one year | 8 | <u>(139,549)</u> | <u>(110,741)</u> |
| NET CURRENT ASSETS | | 672,515 | 1,510,532 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 873,696 | 1,773,398 |
| CREDITORS | | | |
| Amounts falling due after more than one year (including convertible debt) | 9 | <u>(1,057,196)</u> | <u>(966,529)</u> |
| NET (LIABILITIES)/ASSETS | | (183,500) | 806,869 |

The notes form part of these financial statements

Beautystack Limited (Registered number: 10736703)

Statement of Financial Position - continued
31 December 2021

| | Notes | 2021 £ | 2020 £ |
|-----------------------------|-------|------------------|----------------|
| CAPITAL AND RESERVES | | | |
| Called up share capital | | 275 | 205 |
| Share premium | | 6,613,722 | 5,541,537 |
| Retained earnings | | (6,797,497) | (4,734,873) |
| | | <u>(183,500)</u> | <u>806,869</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges her 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.

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 Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the director and authorised for issue on 27 September 2022 and were signed by:

Ms S A Reid - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 December 2021**

1. STATUTORY INFORMATION

Beautystack 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. STATEMENT OF COMPLIANCE

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.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Going concern

In assessing the ability of the company to operate as a going concern, management have evaluated current and forecasted operational results, and the solvency of the company. Potential sources of uncertainty noted by the directors include the COVID-19 pandemic. However at the date of this report it is not possible to reliably determine the effects that this will have on the company. The directors and shareholders have indicated their present intention to provide adequate finance to enable the company to continue in operational existence, and on this basis the directors consider it appropriate to prepare the financial statements on the going concern basis.

Significant judgements and estimates

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates if necessary. It also requires management to exercise judgement in applying the company accounting policies.

Turnover

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of five years.

Development costs are being amortised evenly over their estimated useful life of five years.

Other intangibles is being amortised evenly over its estimated useful life of five years.

Tangible fixed assets

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

Short leasehold - Over the life of the lease

Fixtures and fittings - 33.33% straight line method

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

3. ACCOUNTING POLICIES - continued

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 if the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial instruments

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 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 creditor 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 at amortised cost using the effective interest method.

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 statement of financial position date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

3. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets acquired under hire purchase contracts are included in tangible fixed assets and are depreciated over their estimated useful lives. The obligations net of future charges are included in creditors.

Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective rate of interest method. So as to achieve a constant rate of interest on the remaining balance of the liabilities. Finance charges are deducted and charged to the profit and loss when they are incurred.

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.

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 13 (2020 - 10).

5. INTANGIBLE FIXED ASSETS

| | Patents and licences £ | Development costs £ | Other intangibles £ | Totals £ |
|-----------------------|---|------------------------------------|------------------------------------|---------------------|
| COST | | | | |
| At 1 January 2021 | 9,105 | 139,212 | 20,000 | 168,317 |
| Additions | 7,341 | 5,070 | - | 12,411 |
| At 31 December 2021 | <u>16,446</u> | <u>144,282</u> | <u>20,000</u> | <u>180,728</u> |
| AMORTISATION | | | | |
| At 1 January 2021 | 1,813 | 20,467 | 4,000 | 26,280 |
| Amortisation for year | 1,851 | 21,549 | 3,000 | 26,400 |
| At 31 December 2021 | <u>3,664</u> | <u>42,016</u> | <u>7,000</u> | <u>52,680</u> |
| NET BOOK VALUE | | | | |
| At 31 December 2021 | <u>12,782</u> | <u>102,266</u> | <u>13,000</u> | <u>128,048</u> |
| At 31 December 2020 | <u>7,292</u> | <u>118,745</u> | <u>16,000</u> | <u>142,037</u> |

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

6. TANGIBLE FIXED ASSETS

| | Short leasehold £ | Fixtures and fittings £ | Totals £ |
|-----------------------|----------------------------------|--|---------------------|
| COST | | | |
| At 1 January 2021 | 137,382 | 70,480 | 207,862 |
| Additions | - | 1,899 | 1,899 |
| At 31 December 2021 | <u>137,382</u> | <u>72,379</u> | <u>209,761</u> |
| DEPRECIATION | | | |
| At 1 January 2021 | 46,527 | 40,506 | 87,033 |
| Charge for year | 27,289 | 22,306 | 49,595 |
| At 31 December 2021 | <u>73,816</u> | <u>62,812</u> | <u>136,628</u> |
| NET BOOK VALUE | | | |
| At 31 December 2021 | <u>63,566</u> | <u>9,567</u> | <u>73,133</u> |
| At 31 December 2020 | <u>90,855</u> | <u>29,974</u> | <u>120,829</u> |

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|---------------|-------------------|-------------------|
| Other debtors | <u>232,907</u> | <u>365,835</u> |

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|------------------------------|-------------------|-------------------|
| Bank loans and overdrafts | - | 626 |
| Trade creditors | 37,143 | 17,494 |
| Taxation and social security | 37,723 | 30,229 |
| Other creditors | <u>64,683</u> | <u>62,392</u> |
| | <u>139,549</u> | <u>110,741</u> |

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

| | 2021 £ | 2020 £ |
|------------|-------------------|-------------------|
| Bank loans | <u>1,057,196</u> | <u>966,529</u> |

The other creditors balance is a convertible loan note which is measured at fair value through profit or loss using the effective interest rate method. The effective rate of interest used is 9% per annum and the coupon interest rate is 8%.

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

10. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and creditors to directors subsisted during the year 31 December 2021 and the period to 31 December 2020:

| | | 2021 | 2020 |
|------------------|---|-------------|-------------|
| | £ | | |
| Amounts Advanced | £ | 742 | 13,665 |
| Amounts Repaid | | (20,429) | - |

The loan to the director is repayable on demand. Interest is charged on loans at the official rate set by HMRC.

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.