

Handbag Clinic Ltd

Financial statements

Information for filing with the registrar

31 January 2022

Handbag Clinic Ltd

Balance sheet At 31 January 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	5	9,174	813,328
Tangible assets	6	46,903	55,682
		<u>56,077</u>	<u>869,010</u>
Current assets			
Stocks		55,344	54,011
Debtors	7	182,681	127,713
Bank and cash balances		225,574	131,023
		<u>463,599</u>	<u>312,747</u>
Creditors: amounts falling due within one year	8	(430,034)	(453,788)
Net current assets/(liabilities)		<u>33,565</u>	<u>(141,041)</u>
Total assets less current liabilities		<u>89,642</u>	<u>727,969</u>
Creditors: amounts falling due after more than one year	9	(38,673)	(50,000)
Net assets		<u><u>50,969</u></u>	<u><u>677,969</u></u>
Capital and reserves			
Called up share capital		6,744	5,844
Share premium account		3,584,854	2,765,554
Profit and loss account		(3,540,629)	(2,093,429)
Shareholders' funds		<u><u>50,969</u></u>	<u><u>677,969</u></u>

Handbag Clinic Ltd

Balance sheet (continued)

At 31 January 2022

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 January 2023.

C H Staerck

Director

Company registered number: 11552082

The notes on pages 3 to 9 form part of these financial statements.

Notes to the financial statements Year ended 31 January 2022

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 10 Hobson Industrial Estate, Burnopfield, Newcastle Upon Tyne, NE16 6EA.

2. Statement of compliance

The financial statements of the company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

3. Accounting policies

3.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

3.2 Going concern

The financial statements are prepared on the going concern basis. Despite the losses incurred in the year, the directors have not identified any material uncertainties that may cast significant doubt about the ability of the company to continue as a going concern. The directors have pledged their support to the company should it be needed to meet its obligations, and they also consider that further funding from shareholders will be available if required.

If this basis proved to be invalid, the financial statements would have to be prepared on a breakup basis in which case the balance sheet would be restated to include all assets at estimated realisable values and all liabilities would become current and would have to be increased to include those liabilities contingent on the company ceasing to trade.

3.3 Revenue recognition

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured.

Turnover is measured as the consideration received or receivable, net of discounts and value added tax, at point of sale of finished goods.

Turnover for consignment stock represents the commission received on the sale.

3.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure.

3.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

Notes to the financial statements Year ended 31 January 2022

3. Accounting policies (continued)

3.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.7 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

3.8 Intangible assets

Intangible assets comprise goodwill which represents the difference between the fair value of its identifiable assets and liabilities at the date of transfer to the company on demerger from prior operation and the consideration paid.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Amortisation is provided on the following bases:

Goodwill	-	33 % straight line
----------	---	--------------------

3.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes to the financial statements Year ended 31 January 2022

3. Accounting policies (continued)

3.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows.

Depreciation is provided on the following basis:

Plant and machinery	-	20%	straight line
Fixtures and fittings	-	20%	straight line
Computer equipment	-	33%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

3.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

3.11 Financial instruments

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

4. Employees

The average monthly number of employees, including directors, during the year was 34 (2021 - 30).

Handbag Clinic Ltd

Notes to the financial statements Year ended 31 January 2022

5. Intangible assets

	Computer software £	Goodwill £	Total £
Cost			
At 1 February 2021	4,170	2,427,480	2,431,650
Additions - internal	5,838	-	5,838
At 31 January 2022	10,008	2,427,480	2,437,488
Amortisation			
At 1 February 2021	-	1,618,322	1,618,322
Charge for the year	834	809,158	809,992
At 31 January 2022	834	2,427,480	2,428,314
Net book value			
At 31 January 2022	9,174	-	9,174
At 31 January 2021	4,170	809,158	813,328

Handbag Clinic Ltd

Notes to the financial statements Year ended 31 January 2022

6. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 February 2021	23,009	41,270	19,756	84,035
Additions	220	2,678	9,944	12,842
At 31 January 2022	23,229	43,948	29,700	96,877
Depreciation				
At 1 February 2021	7,624	13,344	7,385	28,353
Charge for the year	4,642	8,598	8,381	21,621
At 31 January 2022	12,266	21,942	15,766	49,974
Net book value				
At 31 January 2022	10,963	22,006	13,934	46,903
At 31 January 2021	15,384	27,927	12,371	55,682

Handbag Clinic Ltd

Notes to the financial statements Year ended 31 January 2022

7. Debtors

	2022 £	2021 £
Trade debtors	130,324	50,418
Other debtors	-	25,964
Called up share capital not paid	100	100
Prepayments and accrued income	52,257	51,231
	<u>182,681</u>	<u>127,713</u>

8. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	10,648	-
Trade creditors	305,126	336,582
Other taxation and social security	48,759	59,633
Other creditors	50,981	38,442
Accruals and deferred income	14,520	19,131
	<u>430,034</u>	<u>453,788</u>

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

	2022 £	2021 £
Bank loans	38,673	50,000
	<u>38,673</u>	<u>50,000</u>

Notes to the financial statements
Year ended 31 January 2022

10. Commitments under operating leases

At 31 January 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	66,750	66,750
Later than 1 year and not later than 5 years	156,563	231,000
Later than 5 years	-	7,688
	<u>223,313</u>	<u>305,438</u>

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.