

Company Registration No. 07369287 (England and Wales)

**WATERMARK HOLDINGS LIMITED
(FORMERLY GALILEO GROUP LIMITED)**

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



WATERMARK HOLDINGS LIMITED

COMPANY INFORMATION

Directors	I Linaker K Harmel
Company number	07369287
Registered office	Seebeck House 1 Seebeck Place Knowlhill Milton Keynes Buckinghamshire MK5 8FR

WATERMARK HOLDINGS LIMITED

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WATERMARK HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investments	5		228,860		228,860
Current assets					
Stocks		-		65,248	
Debtors	6	1,612		225,999	
Cash at bank and in hand		330,095		13,883	
		<u>331,707</u>		<u>305,130</u>	
Creditors: amounts falling due within one year	7	<u>(507,898)</u>		<u>(523,120)</u>	
Net current liabilities			<u>(176,191)</u>		<u>(217,990)</u>
Total assets less current liabilities			52,669		10,870
Creditors: amounts falling due after more than one year	8		<u>(157,656)</u>		<u>(400,000)</u>
Net liabilities			<u><u>(104,987)</u></u>		<u><u>(389,130)</u></u>
Capital and reserves					
Called up share capital			1,438		1,156
Share premium account			617,687		367,968
Profit and loss reserves			<u>(724,112)</u>		<u>(758,254)</u>
Total equity			<u><u>(104,987)</u></u>		<u><u>(389,130)</u></u>

WATERMARK HOLDINGS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

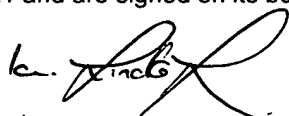
For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 and delivered 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 15 September 2021 and are signed on its behalf by:



I Linaker
Director

Company Registration No. 07369287

WATERMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Watermark Holdings Limited is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is Seebeck House, 1 Seebeck Place, Knowhill, Milton Keynes, Buckinghamshire, MK5 8FR. The Company's principal activity during the year was the retail and wholesale production of male grooming products, as well as acting as a holding company for the Galileo Watermark group of companies.

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 and under the historical cost convention. 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 GBP which is also the functional currency of the Company.

In accordance with FRS102, the company has taken advantage of the exemptions from the following disclosure requirements:

- from disclosing the Company key management personnel compensation, as required by FRS102 paragraph 33.7.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company and its group have adequate resources to continue in operational existence for the foreseeable as further funds have been raised since the balance sheet date. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

The company sells online male grooming products. Revenue is recognised at the point of delivery to the customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

WATERMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.4 Intangible fixed assets other than goodwill

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Website	20% straight line
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Amortisation is charged to Administrative expenses.

1.5 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:

Fixtures, fittings & equipment	4 years straight line
Computer equipment	4 years straight line

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.

Depreciation is charged to operating and administrative costs. Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

1.6 Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any impairment losses.

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Company estimates the recoverable amount of the asset.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairments of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in profit or loss or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

1.7 Stocks

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out basis.

WATERMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

At each reporting date, the company assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. 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.

1.8 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.

1.9 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 financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument, and are only offset when the company currently has 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.

(i) Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

(ii) Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments 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.

(iii) Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

(iv) De-recognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

WATERMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.10 Leases

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Rent free periods or other incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised, on a straight-line basis, over the lease term.

1.11 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	-	-

3 Intangible fixed assets

	Website £
Cost	
At 1 January 2020	2,920
Disposals	(2,920)
At 31 December 2020	-
Amortisation and impairment	
At 1 January 2020	2,920
Disposals	(2,920)
At 31 December 2020	-
Carrying amount	
At 31 December 2020	-
At 31 December 2019	-

WATERMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2020	13,395
Disposals	(13,395)
At 31 December 2020	-
Depreciation and impairment	
At 1 January 2020	13,395
Eliminated in respect of disposals	(13,395)
At 31 December 2020	-
Carrying amount	
At 31 December 2020	-
At 31 December 2019	-

5 Fixed asset investments

	2020 £	2019 £
Investments	228,860	228,860

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2020 & 31 December 2020	228,860
Carrying amount	
At 31 December 2020	228,860
At 31 December 2019	228,860

WATERMARK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	-	6,990
Amounts owed by group undertakings	-	166,360
Other debtors	1,523	34,552
Prepayments and accrued income	89	18,097
	<u>1,612</u>	<u>225,999</u>

7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	7,558	8,644
Amounts owed to group undertakings	341,004	312,201
Other creditors	155,336	152,910
Accruals and deferred income	4,000	49,365
	<u>507,898</u>	<u>523,120</u>

8 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	<u>157,656</u>	<u>400,000</u>

9 Related party transactions

During the year the company received a dividend of £171,000 from its wholly owned subsidiary, Galileo Products Limited.

In accordance with FRS102, the company has taken advantage of the exemptions from the disclosure of other related party transactions with its subsidiary companies which have been made under normal terms.

10 Directors' transactions

At the balance sheet date the company owed K Harmel, a director, £115,336 (2019: £112,910) and I Linaker, a director, £157,656 (2019: £400,000). At the balance sheet date, the company also owed £40,000 (2019: £40,000) to close family members of the directors. These loans are interest bearing and are repayable on demand.

11 Ultimate controlling party

The company is under the control of the director, I Linaker, who owns a majority of the issued share capital.