

Registered number: 03108082

SWEET STREET DESSERTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 3 NOVEMBER 2018



SWEET STREET DESSERTS LIMITED
REGISTERED NUMBER: 03108082

BALANCE SHEET
AS AT 3 NOVEMBER 2018

	Note	2018 £	2017 £
Current assets			
Stocks	4	1,052,579	24,527
Debtors: amounts falling due within one year	5	1,664,773	2,192,466
Cash at bank and in hand		312,968	1,328,390
		<u>3,030,320</u>	<u>3,545,383</u>
Creditors: amounts falling due within one year	6	(2,444,744)	(3,269,451)
Net current assets		<u>585,576</u>	<u>275,932</u>
Total assets less current liabilities		<u>585,576</u>	<u>275,932</u>
Net assets		<u><u>585,576</u></u>	<u><u>275,932</u></u>
Capital and reserves			
Called up share capital	7	2	2
Profit and loss account		585,574	275,930
		<u><u>585,576</u></u>	<u><u>275,932</u></u>

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 by:


D M Messenger
 Director


S L Solmon
 Director

Date: 24 April 2019

The notes on pages 2 to 6 form part of these financial statements.

SWEET STREET DESSERTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 3 NOVEMBER 2018

1. General information

Sweet Street Desserts Limited is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 1 Westferry Circus, London, E14 4HD.

The principal activity of the Company is the supply of frozen desserts.

2. Accounting policies

2.1 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.

The following principal accounting policies have been applied:

2.2 Going concern

The Company is ultimately reliant upon Sweet Street Desserts Inc., a Company under common control and incorporated in the United States, for the supply of its inventory and for maintaining brand loyalty within its customer base.

Sweet Street Desserts Inc. has provided assurances confirming their willingness and intention to continue to supply inventory and financial support as necessary. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

SWEET STREET DESSERTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 3 NOVEMBER 2018

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.6 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

SWEET STREET DESSERTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 3 NOVEMBER 2018

2. Accounting policies (continued)

2.9 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 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 trade and other creditors.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2017 - 2).

4. Stocks

	2018 £	2017 £
Raw materials and consumables	1,052,579	24,527
	<u>1,052,579</u>	<u>24,527</u>

5. Debtors

	2018 £	2017 £
Trade debtors	1,341,130	1,941,632
Other debtors	253,027	250,834
Prepayments and accrued income	70,616	-
	<u>1,664,773</u>	<u>2,192,466</u>

SWEET STREET DESSERTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 3 NOVEMBER 2018

6. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,252,274	2,514,416
Amounts owed to group undertakings	21,550	457,210
Other taxation and social security	1,388	7,652
Accruals	169,532	290,173
	<u>2,444,744</u>	<u>3,269,451</u>

7. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
2 (2017 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

8. Other financial commitments

During the year ended 3 November 2017, the Company entered into a guarantee of £135,000 with HMRC in respect of duty payments. This deposit is left in a specified bank account and is shown within the financial statements within other debtors.

9. Related party transactions

During the period, the Company purchased stock amounting to £5,100,239 (2017: £6,483,969) from Sweet Street Desserts Inc, a Company incorporated in the United States of America which is under common control. The Company also incurred other expenditure amounting to £1,538,364 (2017: £1,745,417) from Sweet Street Desserts Inc.

The amount owed by the Company to Sweet Street Desserts Inc at the Balance Sheet date is £2,236,272 (2017: £2,489,910), which is included in trade creditors.

During the year the Company purchased professional services in connection with selling, promotion and distribution of products amounting to £381,760 (2017: £417,599) from Sweet Street Foods, SAS, a Company incorporated in France which is under common control.

The amount owed by the Company to Sweet Street Foods, SAS at the Balance Sheet date is £21,550 (2017: £471,793) which is repayable on demand.

During the period a director of the Company received remuneration of £75,000 (2017: £75,000). In addition, an employee of the Company, whose parents are also Directors of the Company, received remuneration of £Nil (2017: £22,133).

10. Controlling party

The Company is under the control of S L Solmon.

SWEET STREET DESSERTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 3 NOVEMBER 2018

11. Auditor's information

The auditor's report on the financial statements for the year ended 3 November 2018 was unqualified.

The audit report was signed on 24 April 2019 by Timothy Herbert (Senior statutory auditor) on behalf of PKF Littlejohn LLP.