

RUDE HEALTH FOODS LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2018

RUDE HEALTH FOODS LIMITED

COMPANY INFORMATION

Directors

C J L Barnard
N Barnard
J R Bouldin
S A Mullin

Registered number

05602067

Registered office

212 New Kings Road
London
SW6 4NZ

Independent auditors

James Cowper Kreston
Chartered Accountants and Statutory Auditor
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

RUDE HEALTH FOODS LIMITED

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RUDE HEALTH FOODS LIMITED
REGISTERED NUMBER: 05602067

BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible fixed assets	5	33,804	8,800
Tangible fixed assets	6	221,914	268,815
		<u>255,718</u>	<u>277,615</u>
Current assets			
Stocks	7	1,186,399	1,157,412
Debtors: amounts falling due within one year	8	2,650,446	2,135,045
Bank and cash balances		573,558	863,429
		<u>4,410,403</u>	<u>4,155,886</u>
Creditors: amounts falling due within one year	9	(2,449,468)	(2,437,454)
Net current assets		<u>1,960,935</u>	<u>1,718,432</u>
Total assets less current liabilities		<u>2,216,653</u>	<u>1,996,047</u>
Provisions for liabilities			
Deferred tax	10	(19,807)	(24,298)
		<u>(19,807)</u>	<u>(24,298)</u>
Net assets		<u><u>2,196,846</u></u>	<u><u>1,971,749</u></u>
Capital and reserves			
Called up share capital	11	397,510	397,510
Share premium account	12	138,000	138,000
Capital redemption reserve	12	11,990	11,990
Profit and loss account	12	1,649,346	1,424,249
		<u><u>2,196,846</u></u>	<u><u>1,971,749</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.

RUDE HEALTH FOODS LIMITED
REGISTERED NUMBER: 05602067

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2018

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....
N Barnard
Director

Date: 15 August 2018

The notes on pages 3 to 10 form part of these financial statements.

RUDE HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. General information

Rude Health Foods Limited is a company limited by share capital and incorporated in England and Wales. The address of the registered office is 212 New King's Road, New King's Road, London, England, SW6 4NZ.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Section 1A of Financial Reporting Standard 102.

2.3 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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.4 Intangible assets

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.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.5 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	20%	straight line
Motor vehicles	-	20%	straight line
Fixtures and fittings	-	33%	straight line
Computer equipment	-	33%	straight line
Other fixed assets	-	50%	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 the Statement of comprehensive income.

2.6 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.

2.7 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.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.9 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 non-puttable ordinary shares.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

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 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgments (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue recognition

The key judgment made by management in respect of revenue is the point at which that revenue should be recognised. Management consider that revenue is to be recognised when delivery is made to customer as this is when the risks and rewards of ownership are transferred.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Taxation

The company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience with previous tax submissions.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

RUDE HEALTH FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. Employees

The average monthly number of employees, including directors, during the year was 34 (2017 - 25).

5. Intangible assets

	Trademarks £
Cost	
At 1 April 2017	19,910
Additions	33,585
Disposals	(3,266)
	<hr/>
At 31 March 2018	50,229
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Amortisation	
At 1 April 2017	11,110
Charge for the year	8,581
On disposals	(3,266)
	<hr/>
At 31 March 2018	16,425
	<hr/>
Net book value	
At 31 March 2018	<u><u>33,804</u></u>
At 31 March 2017	<u><u>8,800</u></u>

RUDE HEALTH FOODS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

6. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Cafe Assets £	Computer equipment £	Brand assets £	Total £
Cost or valuation						
At 1 April 2017	84,145	33,300	157,859	45,376	308,229	628,909
Additions	4,413	-	2,391	26,385	100,821	134,010
Disposals	(817)	-	-	(4,862)	(65,588)	(71,267)
At 31 March 2018	87,741	33,300	160,250	66,899	343,462	691,652
Depreciation						
At 1 April 2017	53,174	15,540	42,374	21,252	227,754	360,094
Charge for the year	15,710	6,660	52,844	17,164	88,533	180,911
Disposals	(817)	-	-	(4,862)	(65,588)	(71,267)
At 31 March 2018	68,067	22,200	95,218	33,554	250,699	469,738
Net book value						
At 31 March 2018	19,674	11,100	65,032	33,345	92,763	221,914
At 31 March 2017	30,971	17,760	115,485	24,124	80,475	268,815

7. Stocks

	2018 £	2017 £
Finished goods and goods for resale	1,186,399	1,157,412
	<u>1,186,399</u>	<u>1,157,412</u>

8. Debtors

	2018 £	2017 £
Trade debtors	2,530,912	2,021,628
Other debtors	62,027	47,243
Prepayments and accrued income	57,507	66,174
	<u>2,650,446</u>	<u>2,135,045</u>

RUDE HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,360,455	1,184,025
Corporation tax	61,239	154,347
Other taxation and social security	39,639	26,424
Accruals and deferred income	988,135	1,072,658
	<u>2,449,468</u>	<u>2,437,454</u>

10. Deferred taxation

	2018 £
At beginning of year	(24,298)
Charged to profit or loss	4,491
At end of year	<u><u>(19,807)</u></u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(19,807)	(24,298)
	<u><u>(19,807)</u></u>	<u><u>(24,298)</u></u>

11. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
397,510 Ordinary shares of £1 each	<u><u>397,510</u></u>	<u><u>397,510</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

12. Reserves

Share premium account

The share premium account represents the value of shares issued at more than par value.

Capital redemption reserve

The capital redemption reserve represents ordinary share capital repurchased and cancelled by the company.

Profit and loss account

The profit and loss account represents the cumulative profit available for distribution to shareholders.

13. Related party transactions

During the year there were no related party transactions.

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 March 2018 was unqualified.

The audit report was signed on 23 August 2018 by Darren O'Connor BSc (Hons) FCCA (Senior statutory auditor) on behalf of James Cowper Kreston.