

**PREPARED FOR THE REGISTRAR
BISCUITEER BAKING COMPANY LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

Biscuiteer Baking Company Ltd

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Biscuiteer Baking Company Ltd

Company Information

Directors	W R Barlow S C Congdon S H Hastings W J Kernan J H Kilpatrick Misland Capital Limited
Registered office	Unit 2 Greenlea Park Prince George's Road Colliers Wood London SW19 2JD
Accountants	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX

Biscuiteer Baking Company Ltd

(Registration number: 06069955)
Balance Sheet as at 30 April 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	<u>4</u>	172,473	124,987
Tangible assets	<u>5</u>	2,071,003	2,426,719
		<u>2,243,476</u>	<u>2,551,706</u>
Current assets			
Stocks		505,444	634,400
Debtors	<u>6</u>	934,488	702,150
Cash at bank and in hand		<u>229,935</u>	<u>404,871</u>
		1,669,867	1,741,421
Creditors: Amounts falling due within one year	<u>7</u>	<u>(2,375,738)</u>	<u>(2,231,667)</u>
Net current liabilities		<u>(705,871)</u>	<u>(490,246)</u>
Total assets less current liabilities		1,537,605	2,061,460
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(335,367)</u>	<u>(443,755)</u>
Provisions	<u>9</u>	<u>(18,062)</u>	<u>(52,000)</u>
Net assets		<u>1,184,176</u>	<u>1,565,705</u>
Capital and reserves			
Called up share capital	<u>11</u>	1,408	1,408
Share premium reserve		1,849,775	1,849,775
Profit and loss account		<u>(667,007)</u>	<u>(285,478)</u>
Total equity		<u>1,184,176</u>	<u>1,565,705</u>

For the financial year ending 30 April 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 23 November 2023 and signed on its behalf by:

Biscuiteer Baking Company Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office and principle place of business is:

Unit 2 Greenlea Park
Prince George's Road
Colliers Wood
London
SW19 2JD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

No significant judgements have been made by management in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Biscuiteer Baking Company Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Loyalty points are issued when a customer makes a qualifying purchase. These points constitute a separate performance obligation providing a material right to a future discount. The total transaction price (sales price of goods) is allocated to the loyalty points and the goods sold based on their relative standalone selling prices, with the loyalty points standalone price based on the value of the points to the customer (adjusted for expected redemption rates). The amount allocated to loyalty points is deferred as a contract liability within accruals and deferred income. Revenue is recognised as the points are subsequently redeemed by the customer or the right to use such points expires.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred corporation tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred corporation tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold property improvements	Straight line over the life of the lease
Plant and machinery	5 years straight line
Motor vehicles	25% reducing balance

Intangible assets

Intangible assets are stated in the balance sheet at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

The cost of intangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Biscuiteer Baking Company Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Website development	4-5 years straight line

Trade debtors

Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar expenses.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was as follows:

	2023 No.	2022 No.
Average number of employees	190	209

4 Intangible assets

	Website development £
Cost	
At 1 May 2022	250,683
Additions	109,000
At 30 April 2023	359,683
Amortisation	
At 1 May 2022	125,696
Amortisation charge	61,514
At 30 April 2023	187,210
Carrying amount	
At 30 April 2023	172,473
At 30 April 2022	124,987

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Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

5 Tangible assets

	Short leasehold property improvements £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 May 2022	1,552,392	2,186,899	30,643	3,769,934
Additions	21,737	36,141	37,463	95,341
At 30 April 2023	1,574,129	2,223,040	68,106	3,865,275
Depreciation				
At 1 May 2022	307,135	1,011,471	24,609	1,343,215
Charge for the year	115,838	324,345	10,874	451,057
At 30 April 2023	422,973	1,335,816	35,483	1,794,272
Carrying amount				
At 30 April 2023	1,151,156	887,224	32,623	2,071,003
At 30 April 2022	1,245,257	1,175,428	6,034	2,426,719

6 Debtors

	Note	2023 £	2022 £
Trade debtors		228,163	91,323
Other debtors		294,092	199,305
VAT asset		64,086	105,661
Prepayments		203,319	278,658
Deferred tax assets	10	110,396	25,423
Corporation tax asset		34,432	1,780
		934,488	702,150

7 Creditors

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings	8	1,077,569	1,004,662
Trade creditors		442,973	652,176
Social security and other taxes		93,218	105,609
Outstanding defined contribution pension costs		15,022	14,977
Other creditors		348,368	178,033
Accrued expenses		138,193	142,305
Deferred income		260,395	133,905
		2,375,738	2,231,667
		2023 £	2022 £

Due after one year

Loans and borrowings

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<u>8</u>	<u>335,367</u>	<u>443,755</u>
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Biscuiteer Baking Company Ltd

Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

8 Loans and borrowings

	2023 £	2022 £
Current loans and borrowings		
Bank borrowings	9,890	10,000
HP and finance lease liabilities	176,035	179,915
Other borrowings	891,644	814,747
	<u>1,077,569</u>	<u>1,004,662</u>

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	24,947	34,167
HP and finance lease liabilities	310,420	409,588
	<u>335,367</u>	<u>443,755</u>

Finance lease liabilities

Finance lease liabilities are secured against the assets to which they relate.

9 Provisions

	Dilapidations £	Total £
At 1 May 2022	52,000	52,000
Increase (decrease) in existing provisions	(33,938)	(33,938)
At 30 April 2023	<u>18,062</u>	<u>18,062</u>

10 Deferred tax

Deferred tax assets and liabilities

2023	Asset £
Difference between accumulated depreciation, amortisation and capital allowances	(306,386)
Short term timing differences	2,860
Losses and other deductions	<u>413,922</u>
	<u>110,396</u>

2022	Asset £
Difference between accumulated depreciation, amortisation and capital allowances	(388,897)
Short term timing differences	5,355
Losses and other deductions	<u>408,965</u>
	<u>25,423</u>

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Notes to the Unaudited Financial Statements for the Year Ended 30 April 2023

11 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
A Ordinary shares of £0.0001 each	12,880,940	1,288	12,880,940	1,288
B Investment shares of £0.0001 each	498,017	50	498,017	50
G shares of £0.0001 each	706,038	71	706,038	71
	<u>14,084,995</u>	<u>1,408</u>	<u>14,084,995</u>	<u>1,408</u>

Rights, preferences and restrictions

All shares rank equally in terms of rights to take part in approved dividend distributions and right to participate in any distribution of capital on the winding up of the company. A Ordinary shares and G shares rank equally in terms of voting rights with each share being entitled to one vote. B Investment shares have no voting rights.

12 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £2,307,961 (2022 - £2,602,133). Of which, £293,836 (2022 - £294,173) is due within 1 year, £239,750 (2022 - £293,836) is due within 1-2 years, £626,250 (2022 - £657,250) is due within 2-5 years and £1,148,125 (2022 - £1,356,875) falls due in a period greater than 5 years from the balance sheet date.

The total amount of financial commitments not included in the balance sheet includes £2,306,275 (2022 - £2,598,425) which relates to rental liabilities on leased properties.

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.