

Registered number: 06247563

Eldee Franchising Limited
Annual Report and Financial Statements
For the year ended 31 December 2020

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Company information

Directors	P L Aitchison P Kavanagh M J Light P S Weller
Company secretary	P L Aitchison
Registered number	06247563
Registered office	Crowthorne House Nine Mile Ride Wokingham Berkshire RG40 3GZ

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Directors' Report for the year ended 31 December 2020

The directors present their report together with the financial statements for the year ended 31 December 2020. Comparative information is provided for the year from 1 January 2019 to 31 December 2019 for the company.

Principal activities

The principal activity of the company is the provision of management services to franchises operating in the residential property market. There have been no changes in the activities of the company in the year under review.

Results and dividends

The profit and loss account is set out on page 6 and shows the result for the year. No dividends were paid during the year.

The directors do not recommend the payment of a dividend (year ended 31 December 2019 - £Nil).

Directors

The directors of the company during the year and post year end were as follows:

P L Aitchison (appointed 13 January 2020)
P Kavanagh
M J Light
M E J Palmer (resigned 13 January 2020)
P S Weller

At 31 December 2020, third party indemnity provision for the benefit of the company's directors was in force.

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' Report for the year ended 31 December 2020 (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small companies' regime

The company has taken advantage of the small companies' exemption in preparing this directors' report and the exemption from including a strategic report in these financial statements on the grounds it qualifies as a small company.



On behalf of the Board
P L Aitchison
Director
21 May 2021

Profit and loss account for the year ended 31 December 2020

	Note	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Turnover	4	11,769	11,933
Administrative expenses		<u>(11,769)</u>	<u>(29)</u>
Operating profit	5	-	11,904
Profit before taxation		-	11,904
Taxation	7	<u>2,465</u>	<u>(2,465)</u>
Profit and total comprehensive income for the financial year		2,465	9,439
Profit for the financial year attributable to: The Company's equity shareholders		<u>2,465</u>	<u>9,439</u>

All amounts relate to continuing operations.

The notes on page 9 to 14 form an integral part of these financial statements.

Balance Sheet as at 31 December 2020

	Note	31 December 2020 £	31 December 2019 £
Current assets			
Debtors	8	13,517	24,184
Cash at bank and in hand		25,000	25,000
		<u>38,517</u>	<u>49,184</u>
Creditors: amounts falling due within one year	9	<u>(23,076)</u>	<u>(36,208)</u>
Net assets		<u>15,441</u>	<u>12,976</u>
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account reserve		<u>15,439</u>	<u>12,974</u>
Total equity		<u>15,441</u>	<u>12,976</u>

For the year ending 31 December 2020, the company was entitled to exemption from audit under section 479A of The Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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 1 A - small entities.

The financial statements were approved by the Board of Directors and authorised for issue on 21 May 2021 and were signed on its behalf by:



P L Aitchison
Director

Company registration number: 06247563

The notes on page 9 to 14 form an integral part of these financial statements.

Statement of Changes in Equity for the year ended 31 December 2020

For the year ended 31 December 2020

	Share capital	Profit and loss account reserve	Total
	£	£	£
Balance at 1 January 2020	2	12,974	12,976
Profit for the year	-	2,465	2,465
Total comprehensive income for the year	-	2,465	2,465
Balance at 31 December 2020	2	15,439	15,441

For the year ended 31 December 2019

	Share capital	Profit and loss account reserve	Total
	£	£	£
Balance at 1 January 2019	2	3,535	3,537
Profit for the year	-	9,439	9,439
Total comprehensive income for the year	-	9,439	9,439
At 31 December 2019	2	12,974	12,976

The notes on page 9 to 14 form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 December 2020

1. Nature of operations and general information

Elldée Franchising Limited is a private company limited by shares incorporated in England & Wales. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

2. Principal Accounting Policies

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1 A 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 Section 1 A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Turnover

Turnover comprises fees receivable from franchisees and is recognised to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured, based on when performance obligations have been satisfied.

Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.3 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.

2.4 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable) and subsequently at amortised cost.

Notes to the financial statements

Subsequent measurement of financial assets

After initial recognition, financial assets are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are reviewed at the end of each reporting period for objective evidence of impairment. Where this is observed, an impairment loss is recognised in the profit and loss account.

Classification and measurement of financial liabilities

The Company's financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

2.5 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or 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.

2.6 Current taxation

Current taxation is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the balance sheet date and includes adjustments to tax payable or recoverable in respect of previous years.

2.7 Deferred taxation

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

- 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the company can control their reversal and such reversal is not considered probable in the foreseeable future.

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.

Notes to the financial statements

3. Significant management judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management did not have to make any significant judgements.

There are no key sources of estimation uncertainty in preparing these financial statements.

4. Turnover

The Company's turnover is all derived from franchise services within the UK.

5. Operating profit

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Operating profit is stated after charging:		
Auditor's remuneration - fees payable to the Company's Auditor and its Associates for:		
- the audit of the Company's annual accounts	-	-

Audit costs of £Nil (Year ended 31 December 2019: £2,000) were borne by another group company.

The company has taken advantage of the exemption from the requirement to disclose details of the auditor's remuneration for non-audit services. This is disclosed in the consolidated financial statements of its ultimate parent company, The Leaders Romans Group Limited.

6. Employees

During the year the company had no employees and there were no directors' emoluments (year ended 31 December 2019: Nil).

Notes to the financial statements

7. Taxation

	Year ended 31 December 2020 £	Year ended 31 December 2019 £
Corporation tax:		
Tax on profit for the year	-	2,465
Adjustments in respect of prior years	(2,465)	-
Total tax charge	(2,465)	2,465
Profit before taxation	-	11,904
Profit by rate of tax 19% (2019: 19%)	-	2,262
Adjustments in respect of prior years	(2,465)	-
Other items	-	203
Total tax	(2,465)	2,465

8. Debtors

	31 December 2020 £	31 December 2019 £
Trade debtors	1,000	955
Corporation tax recoverable	2,465	-
Amounts due from group undertakings	9,552	23,229
Prepayments and accrued income	500	-
	13,517	24,184

All amounts shown under debtors fall due for payment within one year. The Directors consider the carrying value of trade and other receivables is approximate to their fair value.

Notes to the financial statements

9. Creditors: amounts falling due within one year

	31 December 2020 £	31 December 2019 £
Trade creditors	-	-
Amounts owed to group undertakings	1,183	20,389
Corporation tax	-	2,465
Other taxation and social security	3,027	1,095
Other creditors	18,866	12,259
	<hr/>	<hr/>
	23,076	36,208
	<hr/>	<hr/>

10. Share capital

The total allotted share capital of the Company is:

Allotted, called up and fully paid

	2020 Number	2020 £	2019 Number	2019 £
Ordinary shares of £1 each	2	2	2	2
	<hr/>	<hr/>	<hr/>	<hr/>

11. Contingent liabilities

The company has guaranteed the borrowings of The Leaders Romans Bidco Limited, a fellow subsidiary of The Leaders Romans Group Limited. The borrowings subject to the guarantee at 31 December 2020 totalled £158,829,829 (31 December 2019 - £132,424,753).

12. Related party transactions

The company is a wholly owned subsidiary within the group headed by The Leaders Romans Group Limited and has taken advantage of the exemption conferred by FRS 102 'Related Party Disclosures' not to disclose related party transactions with The Leaders Romans Group Limited or other wholly owned subsidiaries within the group.

Notes to the financial statements

13. Ultimate controlling party

The company is a subsidiary of Leaders Limited. At 31 December 2020, the company's ultimate parent company was The Leaders Romans Group Limited. Both companies are registered at Crowthorne House, Nine Mile Ride, Wokingham, Berkshire RG40 3GZ.

The Leaders Romans Midco 2 Limited is the smallest group in which the results of the company are consolidated.

The Leaders Romans Group Limited is the largest group in which the results of the company are consolidated.

Both of the consolidated accounts which include the results of this company are available to the public and may be obtained from The Leaders Romans Group Limited, Crowthorne House, Nine Mile Ride, Wokingham, Berkshire RG40 3GZ or Companies House.

The company is ultimately controlled by funds managed by Bowmark Capital LLP.