

COMPANY REGISTRATION NUMBER: 06453748

ML VENTURES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
29 DECEMBER 2019

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ML VENTURES LIMITED

BALANCE SHEET

29 DECEMBER 2019

	Note	29 Dec 19		30 Dec 18	
		£	£	£	£
Fixed assets					
Intangible assets	5		10,792		14,167
Tangible assets	6		413,581		569,697
			<u>424,373</u>		<u>583,864</u>
Current assets					
Stocks	7	33,337		40,728	
Debtors	8	1,519,248		3,135,605	
Cash at bank and in hand		<u>1,663,374</u>		<u>346,830</u>	
		3,215,959		3,523,163	
Creditors: amounts falling due within one year	9	<u>(863,903)</u>		<u>(894,239)</u>	
Net current assets			2,352,056		2,628,924
Total assets less current liabilities			<u>2,776,429</u>		<u>3,212,788</u>
Net assets			<u>2,776,429</u>		<u>3,212,788</u>
Capital and reserves					
Called up share capital	10		100		100
Profit and loss account			<u>2,776,329</u>		<u>3,212,688</u>
Total shareholders' funds			<u>2,776,429</u>		<u>3,212,788</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

For the period ending 29 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 30.11.2020, and are signed on behalf of the board by:



SS Grewal
Director

Company registration number: 06453748

The notes on pages 2 to 7 form part of these financial statements.

ML VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 31 DECEMBER 2018 TO 29 DECEMBER 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 12 North Bar, Banbury, OX16 0TB.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest pound.

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

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.

The impact of COVID-19 has been considered when performing the going concern assessment. Given the limited impact on business operations and mitigating steps taken by management, the going concern basis of accounting remains appropriate, as stated above.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied, net of returns, discounts and rebates allowed by the company and value added taxes.

The company operates pizza stores for the production and sale of pizzas. Sales of pizzas are recognised when the significant risks and rewards of ownership have transferred to the buyer. This is on sale to the customer, which is considered the point of delivery. Retail sales are usually by cash, credit or payment card.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

ML VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 31 DECEMBER 2018 TO 29 DECEMBER 2019

3. Accounting policies (continued)

Income tax (continued)

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Intangible assets

Intangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Franchise fees	-	Straight line basis over the term on the franchise agreement
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold improvements	-	Straight line basis over the term of the trading property lease period
Fixtures and fittings	-	20% straight line
Motor vehicles	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

ML VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD FROM 31 DECEMBER 2018 TO 29 DECEMBER 2019

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

ML VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

PERIOD FROM 31 DECEMBER 2018 TO 29 DECEMBER 2019

3. Accounting policies *(continued)*

Financial instruments

Basic financial assets, which include trade, other receivables, loans to other related parties and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Basic financial liabilities, including trade and other payables are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year of less. If not, then they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Employee benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

ML VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 31 DECEMBER 2018 TO 29 DECEMBER 2019

4. Employee numbers

The average number of persons employed by the company during the period amounted to 182 (2018: 154).

5. Intangible assets

	Franchise fees £
Cost	
At 31 December 2018 and 29 December 2019	33,750
Accumulated amortisation	
At 31 December 2018	19,583
Charge for the period	3,375
At 29 December 2019	<u>22,958</u>
Carrying amount	
At 29 December 2019	10,792
At 30 December 2018	<u>14,167</u>

6. Tangible assets

	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 31 December 2018	513,895	802,064	30,762	1,346,721
Additions	–	15,959	–	15,959
Disposals	–	(350)	–	(350)
At 29 December 2019	<u>513,895</u>	<u>817,673</u>	<u>30,762</u>	<u>1,362,330</u>
Accumulated depreciation				
At 31 December 2018	333,581	428,371	15,072	777,024
Charge for the period	32,422	135,625	3,923	171,970
Disposals	–	(245)	–	(245)
At 29 December 2019	<u>366,003</u>	<u>563,751</u>	<u>18,995</u>	<u>948,749</u>
Carrying amount				
At 29 December 2019	147,892	253,922	11,767	413,581
At 30 December 2018	<u>180,314</u>	<u>373,693</u>	<u>15,690</u>	<u>569,697</u>

7. Stocks

	29 Dec 19 £	30 Dec 18 £
Raw materials and consumables	<u>33,337</u>	<u>40,728</u>

ML VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

PERIOD FROM 31 DECEMBER 2018 TO 29 DECEMBER 2019

8. Debtors

	29 Dec 19	30 Dec 18
	£	£
Trade debtors	1,243	6,125
Deferred tax asset	40,188	30,339
Amounts owed by other related entities	1,400,091	3,036,964
Other debtors	77,726	62,177
	<u>1,519,248</u>	<u>3,135,605</u>

9. Creditors: amounts falling due within one year

	29 Dec 19	30 Dec 18
	£	£
Trade creditors	121,480	145,080
Corporation tax	175,252	193,234
Social security and other taxes	276,173	290,092
Other creditors	290,998	265,833
	<u>863,903</u>	<u>894,239</u>

10. Called up share capital

Issued, called up and fully paid

	29 Dec 19		30 Dec 18	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

11. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	29 Dec 19	30 Dec 18
	£	£
Not later than 1 year	126,883	130,900
Later than 1 year and not later than 5 years	288,507	355,206
Later than 5 years	637,479	697,315
	<u>1,052,869</u>	<u>1,183,421</u>

12. Events after the reporting period

The COVID-19 global pandemic is considered to be a non-adjusting event for financial reporting purposes. These financial statements do not include any adjustments to assets or liabilities to reflect the potential impact of the pandemic on the company's future performance or underlying net asset position.

On 10 March 2020, 55% of the issued share capital of the company was sold to Bansols Beta Ltd, a company controlled by MS Grewal, brother of SS Grewal.