

Baketime Limited

Unaudited Filleted Financial Statements
for the Year Ended 30 June 2022



Chuhan and Singh Partnership Limited
Chartered Accountants
81 Borough Road
Middlesbrough
TS1 3AA

Baketime Limited

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Baketime Limited

Company Information

Directors	Mr Mohamed Zain Ismail Abdoola Mr Naushad Mahomed Ismail Abdoola Dr Dissanayake Hitihamu Mr Mohamed Asif Abdoola
Registered office	Imperial Food Park Imperial Avenue South Bank Middlesbrough TS66BA
Accountants	Chuhan and Singh Partnership Limited Chartered Accountants 81 Borough Road Middlesbrough TS1 3AA

Baketime Limited

(Registration number: 07300779)

Balance Sheet as at 30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>5</u>	37,454	188,118
Current assets			
Stocks		160,260	119,174
Debtors	<u>6</u>	1,014,489	981,419
Cash at bank and in hand		<u>81,203</u>	<u>128,512</u>
		1,255,952	1,229,105
Creditors: Amounts falling due within one year	<u>7</u>	<u>(3,066,957)</u>	<u>(2,954,617)</u>
Net current liabilities		<u>(1,811,005)</u>	<u>(1,725,512)</u>
Total assets less current liabilities		(1,773,551)	(1,537,394)
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(8,502,042)</u>	<u>(7,604,760)</u>
Net liabilities		<u>(10,275,593)</u>	<u>(9,142,154)</u>
Capital and reserves			
Called up share capital		1,975	1,975
Share premium reserve		974,025	974,025
Retained earnings		<u>(11,251,593)</u>	<u>(10,118,154)</u>
Shareholders' deficit		<u>(10,275,593)</u>	<u>(9,142,154)</u>

Baketime Limited

(Registration number: 07300779)

Balance Sheet as at 30 June 2022 (continued)

For the financial year ending 30 June 2022 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. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 28 June 2023 and signed on its behalf by:

.....

Dr Dissanayake Hitihamu

Director

Baketime Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022

1 General information

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

The address of its registered office is:

Imperial Food Park
Imperial Avenue
South Bank
Middlesbrough
TS66BA
UK

These financial statements were authorised for issue by the Board on 28 June 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

In preparing these financial statements the directors have had to make the following judgements which may have a material effect thereon:

- the directors have had to determine whether there are indicators of impairment of the company's tangible assets, taking into consideration the economic viability and expected future performance of the asset and, where it is a component of a large cash generating unit, the viability and expected performance of that unit.
- the directors have had to determine that preparing the accounts on a going concern basis is appropriate having regard to the company's ongoing performance and confirmed ongoing financial support from fellow group undertakings.
- tangible fixed assets are depreciated over their useful lives taking into account residual values. The directors have assessed the estimated lives of the assets having regard to factors such as technological innovation, product life cycles and maintenance programmes, and have assessed residual values having considered issues such as future market conditions, the remaining life of the asset and projected disposal values.

Baketime Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022 (continued)

2 Accounting policies (continued)

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention. The financial statements are prepared in Pound Sterling (GBP), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest Pound.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group..

Going concern

During the year forecast increased sales orders failed to materialize, in part due to the effects of the ongoing Covid-19 pandemic which did not subside as expected during the first half of the year. Further lockdown periods had a detrimental effect on new product development and sales orders.

Subsequent to the year end the trading environment remains difficult, and future forecasts prepared by the directors indicate that the company is expected to continue to record losses in the short term whilst sales levels build up and the effect of sales enquiries and new product developments take full effect, and as the general economic outlook improves as the effects of the ongoing Covid pandemic begin to subside. This is expected to realise from the second half onwards with the company targeting to make small profits by the end of the year. Thereafter the directors expect that targeted increased sales levels will be maintained into the 1st and 2nd quarters of 2022/23 and the company will report profits.

However, the directors acknowledge that the full impact of the pandemic on market recovery and hence on the company cannot be assessed with complete certainty at the current time, and in particular the effect on sales orders, sales patterns and price pressures, and these and anticipated short term losses will necessarily impact on cash flow moving forward. They acknowledge that additional funding and careful management of working capital are needed to ensure funds are available as required to finance activity.

The Lion Match Company (Pty) Limited, the parent of the company's immediate parent, LMC Baketime Holdings Limited, has provided confirmation that it will not seek repayment of existing loans for a period of at least one year from the date of the signing of these financial statements. Other loan creditors have provided confirmation that they will not seek repayment of loans until such time as the company has sufficient funds available.

Baketime Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022 (continued)

2 Accounting policies (continued)

In addition, The Lion Match Company (Pty) Limited has confirmed that it will provide additional funding as and when required, this latter being subject to the approval of the South African Reserve Bank and their own financial resources. The directors acknowledge that such approval is not certain but note that historically it has been received as part of the business case put forward, and believe that actual and forecast improved performance will strengthen that case whilst reducing the requirement for such funding.

In addition, the company is continuing to seek financing for new plant and equipment and potential grant funding towards anticipated expansion, including accessing relevant Government assistance where available.

Accordingly, the directors acknowledge that the above may indicate a material uncertainty over the company's ability to continue as a going concern. However, at the time of signing these accounts they are satisfied that they have taken all possible steps to protect the company, and that sufficient resources will be available to enable it to meet its operational requirements as and when they fall due, and accordingly they continue to adopt the going concern basis of accounting in preparing the financial statements.

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover represents sale of goods at invoiced amounts net of local sales taxes. Sales of goods are recognised when the company has substantially transferred all the risks and rewards of ownership to the buyer, retains no effective control over the goods sold, can be reliably measured, and it is probable that the company will receive the consideration due under the transaction.

Research and development

Research and development expenditure on new product development and production processes is written off in the year in which it is incurred.

Government grants

Grants are classified as either a grant relating to revenue or a grant relating to assets. Grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset.

Finance costs

Finance costs are charged to the statement of comprehensive income over the terms of the loan using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Transaction costs are initially recognised as a reduction in the proceeds of the associated loan.

Baketime Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022 (continued)

2 Accounting policies (continued)

Foreign currency transactions and balances

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

Exchange differences arising from translation are taken into account in arriving at the operating result and are presented in 'finance income or costs' where they relate to borrowings and cash balances, and 'other operating income' in all other cases.

Tax

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible fixed assets are initially recognised at historic cost, which includes expenditure incurred in bringing the asset to its present location and condition.

They are assessed at each reporting date for evidence of impairment. Impairment losses are recognised for the amount by which the carrying amount exceeds recoverable amount. Assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that previously recognised impairment losses may no longer exist or be reduced, and any reversal recognised in the accounts.

Depreciation

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Asset class	Depreciation method and rate
Plant and machinery	25% on cost and 10% on cost
Fixtures and fittings	25% on cost

Baketime Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022 (continued)

2 Accounting policies (continued)

Motor vehicles 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

- Raw materials and goods for resale are valued at purchase cost on a first in first out basis

- Work in progress and finished goods are valued at the cost of direct materials and labour

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and sale.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

The company only enters into transactions in 'basic' financial instruments which result in the recognition of assets and liabilities; these include trade and other debtors and creditors, bank balances, loans from banks and other third parties, and loans to related parties,

Basic financial assets (other than those classified as payable within one year) are initially measured at cost, and are subsequently carried at cost or amortised cost using the effective interest method, less any impairment losses. Basic financial assets classified as receivable within one year are not amortised.

Basic financial liabilities (other than those classified as payable within one year) are initially recognised at present value of future cash flows and subsequently at amortised costs using the effective interest method. Basic financial liabilities classified as payable within one year are not amortised.

Financial assets and liabilities are offset, with the net amounts reported in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Baketime Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022 (continued)

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 44 (2021 - 44).

4 Loss before tax

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	<u>154,084</u>	<u>197,662</u>

Baketime Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022 (continued)

5 Tangible assets

	Fixtures and fittings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 July 2021	466,276	2,682,529	23,124	3,171,929
Additions	3,420	-	-	3,420
At 30 June 2022	469,696	2,682,529	23,124	3,175,349
Depreciation				
At 1 July 2021	456,367	2,504,320	23,124	2,983,811
Charge for the year	796	153,288	-	154,084
At 30 June 2022	457,163	2,657,608	23,124	3,137,895
Carrying amount				
At 30 June 2022	12,533	24,921	-	37,454
At 30 June 2021	9,909	178,209	-	188,118

6 Debtors

	Note	2022 £	2021 £
Current			
Trade debtors		111,540	177,147
Amounts owed by related parties	8	750,000	750,000
Prepayments		37,754	34,733
Other debtors		115,195	19,539
		1,014,489	981,419

Baketime Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022 (continued)

7 Creditors

Creditors: amounts falling due within one year

	Note	2022 £	2021 £
Due within one year			
Trade creditors		221,604	106,302
Amounts owed to group undertakings and undertakings in which the company has a participating interest	8	2,518,946	2,199,552
Taxation and social security		172,989	179,319
Accruals and deferred income		42,629	46,489
Other creditors		110,789	422,955
		<u>3,066,957</u>	<u>2,954,617</u>

Creditors: amounts falling due after more than one year

	2022 £	2021 £
Due after one year		
Other non-current financial liabilities	<u>8,502,042</u>	<u>7,604,760</u>

8 Related party transactions

Included within Other creditors is a loan of £109,845 (2021: £89,679) owing to D Hitihamu, a director.
Included in Group undertakings is a loan of £316,149 (2021: £323,767) owing to Imperial Property Development Limited, a company in which N M Ismail Abdoola and D Hitihamu are directors in common. The loans are repayable on demand and interest free.

Baketime Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2022 (continued)

9 Parent and ultimate parent undertaking

The largest group in which the results of the company are consolidated is that headed by Fasic Investment Corporation Limited. The smallest group in which they are consolidated is that headed by LMC Baketime Holdings Limited. These consolidated accounts are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The company's immediate parent is LMC Baketime Holdings Limited, incorporated in England and Wales.

The ultimate parent is Fasic Investment Corporation Limited, incorporated in South Africa.

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.