

REGISTERED NUMBER: 09679948 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
MR LEE'S PURE FOODS CO. LTD**

Carter & Coley Limited
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

MR LEE'S PURE FOODS CO. LTD (REGISTERED NUMBER: 09679948)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Statement of Income and Retained Earnings	7
Balance Sheet	8
Notes to the Financial Statements	9

MR LEE'S PURE FOODS CO. LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018

DIRECTORS:

D H K Lee
Venture Development Partners Ltd
Dr B Sayle
S D Moss
C S K Fung
Ms N M M Dauriac
M J M Groat

REGISTERED OFFICE:

3 Durrant Road
Bournemouth
Dorset
BH2 6NE

REGISTERED NUMBER:

09679948 (England and Wales)

AUDITORS:

Carter & Coley Limited
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

An important global growing niche: where convenience eating becomes healthier, more natural and tastes great - this is the territory being claimed by Mr Lee's Pure Foods Co. 2018 is a year which has seen Mr Lee's Pure Foods Co. , together with its Australian 100% subsidiary, move out of its start-up phase and focus on the fundamentals required for scaling up effectively, with some high-profile accounts requiring a rapid supply and activity capability. The business has during the course of the year clearly established its brand and positioning in the B2B and trade sectors - via awards, awareness and key client successes - and has begun the move to consumer retail and expanded global travel sectors.

The directors are happy with the company's position and outlook and look forward to continued good progress on brand development and distribution growth over the coming year.

DIRECTORS

D H K Lee has held office during the whole of the period from 1 January 2018 to the date of this report.

Other changes in directors holding office are as follows:

D G N Hossie - resigned 29 June 2018
Venture Development Partners Ltd - appointed 21 May 2018
Dr B Sayle - appointed 1 September 2018
S D Moss - appointed 1 July 2018
C S K Fung - appointed 1 July 2018
Ms N M M Dauriac - appointed 1 July 2018
M J M Groat - appointed 18 September 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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). 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 of the company and of the 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;

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.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2018**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Carter & Coley Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

D H K Lee - Director

19 September 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MR LEE'S PURE FOODS CO. LTD

Opinion

We have audited the financial statements of Mr Lee's Pure Foods Co. Ltd (the 'company') for the year ended 31 December 2018 which comprise the Statement of Income and Retained Earnings, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note seventeen to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We were appointed as auditors of the company on 13 March 2019 and thus did not observe the counting of the physical inventories at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at 31 December 2017. Since opening inventories enter into the determination of the financial performance, we were unable to determine whether adjustments might have been necessary in respect of the loss for the year reported in the statement of income and retained earnings.

Conclusions relating to going concern

ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Without qualifying our opinion, we draw attention to Note 2 in the financial statements which indicates that the Company is dependent upon the continued support of creditors and further rounds of fundraising. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MR LEE'S PURE FOODS CO. LTD

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing further to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MR LEE'S PURE FOODS CO. LTD

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew A Clark BSC FCA (Senior Statutory Auditor)
for and on behalf of Carter & Coley Limited
3 Durrant Road
Bournemouth
Dorset
BH2 6NF

19 September 2019

MR LEE'S PURE FOODS CO. LTD (REGISTERED NUMBER: 09679948)

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2018**

		Year Ended 31/12/18	Period 1/12/16 to 31/12/17 as restated
	Notes	£	£
TURNOVER		416,243	98,240
Cost of sales		<u>452,607</u>	<u>237,137</u>
GROSS LOSS		(36,364)	(138,897)
Administrative expenses		<u>1,461,828</u>	<u>1,094,117</u>
OPERATING LOSS	4	(1,498,192)	(1,233,014)
Interest receivable and similar income		<u>78</u>	<u>83</u>
		(1,498,114)	(1,232,931)
Interest payable and similar expenses		<u>2,663</u>	<u>24,703</u>
LOSS BEFORE TAXATION		(1,500,777)	(1,257,634)
Tax on loss	6	<u>-</u>	<u>(91,201)</u>
LOSS FOR THE FINANCIAL YEAR		(1,500,777)	(1,166,433)
Retained earnings at beginning of year as previously reported		(2,052,303)	(873,280)
Prior year adjustment - corrections of material errors	7	4,461	(8,129)
RETAINED EARNINGS AT END OF YEAR		<u>(3,548,619)</u>	<u>(2,047,842)</u>

The notes form part of these financial statements

MR LEE'S PURE FOODS CO. LTD (REGISTERED NUMBER: 09679948)

**BALANCE SHEET
31 DECEMBER 2018**

		2018		2017 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	8		185,749		162,217
Tangible assets	9		262,954		46,174
Investments	10		<u>60</u>		<u>60</u>
			448,763		208,451
CURRENT ASSETS					
Stocks	11	45,152		82,090	
Debtors	12	1,144,970		387,150	
Cash at bank and in hand		<u>144,990</u>		<u>208,544</u>	
		1,335,112		677,784	
CREDITORS					
Amounts falling due within one year	13	<u>598,044</u>		<u>427,032</u>	
NET CURRENT ASSETS			<u>737,068</u>		<u>250,752</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,185,831</u>		<u>459,203</u>
CAPITAL AND RESERVES					
Called up share capital			3,541		2,811
Share premium	14		4,730,909		2,504,234
Retained earnings	14		<u>(3,548,619)</u>		<u>(2,047,842)</u>
SHAREHOLDERS' FUNDS			<u>1,185,831</u>		<u>459,203</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 19 September 2019 and were signed on its behalf by:

D H K Lee - Director

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

1. STATUTORY INFORMATION

Mr Lee's Pure Foods Co. Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

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 have been prepared on the going concern basis. This assumes that the company's directors and creditors will continue to support the business and that further rounds of raising capital will be successful and sufficient to enable the continuing development of the trade.

Should this support not be forthcoming there would be implications for the fair value of fixed assets and other assets (see also note 16 concerning balances with related parties).

Preparation of consolidated financial statements

The financial statements contain information about Mr Lee's Pure Foods Co. Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Turnover

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intellectual property is being amortised over its estimated useful life of ten years.

Domain names are being amortised evenly over their estimated useful life of five years.

Vending machine development is being amortised over its estimated useful life of five years.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Short leasehold	- in accordance with the term of the lease
Vending machines	- 20% on cost
Plant and machinery	- 25% on reducing balance
Fixtures, fittings and office equipment	- 15% on reducing balance and Straight line over 5 years
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

To the extent that vending machines are operating in a test environment, no depreciation has been charged. When the assets are brought into use they will be depreciated in accordance with the appropriate accounting policy.

Investments in subsidiaries

Investments in subsidiaries are recognised at cost less impairment.

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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

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.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 9 (2017 - 5).

4. OPERATING LOSS

The operating loss is stated after charging:

	Year Ended 31/12/18	Period 1/12/16 to 31/12/17 as restated
	£	£
Depreciation - owned assets	12,114	10,003
New product development amortisation	14,795	6,780
Intellectual property amortisation	5,000	5,417
Domain names amortisation	570	-

5. EXCEPTIONAL ITEMS

	Year Ended 31/12/18	Period 1/12/16 to 31/12/17 as restated
	£	£
Exceptional items	(146,357)	-

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

The exceptional item relates to a write off of stock, largely as a result of legislative changes in Australia concerning the importation of food products. The returned stock was no longer deemed suitable for sale in the UK due to the goods being damaged in transit. In addition to this a number of costs have been incurred in connection with new market development and in the opinion of the directors it is unlikely that these costs will ever be recovered.

6. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	Year Ended 31/12/18	Period 1/12/16 to 31/12/17 as restated
	£	£
Current tax:		
(Over)/under provision	<u>-</u>	<u>(91,201)</u>
Tax on loss	<u>-</u>	<u>(91,201)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made in respect of intellectual property rights acquired from a director in March 2016 for £50,000. It has been agreed that the intellectual property rights are to be amortised over the estimated useful life of 10 years. Therefore amortisation has been provided from the date of acquisition and the pre and post tax effect on the profit and loss account for the year ended 31 December 2017 is an increase in the loss previously reported of £5,417. Previously reported opening reserves as at 1 December 2016 have reduced by £3,750 and opening reserves as at 1 January 2018 have been reduced by £9,167.

A prior year adjustment has been made in respect of a director's remuneration during previous periods. The pre and post tax effect on the profit and loss account for the year ended 31 December 2017 is an increase in the loss previously reported of £9,113. Previously reported opening reserves as at 1 December 2016 have reduced by £4,378 and opening reserves as at 1 January 2018 have reduced by £13,491.

A prior year adjustment has been made in respect of costs associated with new product development. In the period ended 31 December 2017 these costs were originally expended through the profit and loss account. However the directors are now of the opinion that these costs should be capitalised and the pre and post tax effect on the profit and loss account for the year ended 31 December 2017 is a reduction in the loss previously reported of £27,120. Opening reserves as at 1 January 2018 have increased by £27,120.

A prior year adjustment has been made in respect of the classification of certain vending machine costs. All costs were previously disclosed within tangible fixed assets. In the opinion of the directors, a proportion of these costs are in respect of the earlier versions of the current model and should be recognised as an intangible asset. This adjustment has no effect on pre or post tax losses previously reported, nor does it have any impact on opening reserves as at 1 January 2018.

The total effect of all prior year adjustments referred to above is a reduction in opening reserves as at 1 December 2016 of £8,128, a reduction in previously reported losses for the year ended 31 December 2017 of £12,590 and an increase in opening reserves as at 1 January 2018 of £4,462.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018

8. INTANGIBLE FIXED ASSETS

	New product development £	Intellectual property £	Domain names £	Vending machine development £	Totals £
COST					
At 1 January 2018	33,900	50,000	-	94,264	178,164
Additions	40,077	-	3,800	20	43,897
At 31 December 2018	73,977	50,000	3,800	94,284	222,061
AMORTISATION					
At 1 January 2018	6,780	9,167	-	-	15,947
Amortisation for year	14,795	5,000	570	-	20,365
At 31 December 2018	21,575	14,167	570	-	36,312
NET BOOK VALUE					
At 31 December 2018	52,402	35,833	3,230	94,284	185,749
At 31 December 2017	27,120	40,833	-	94,264	162,217

9. TANGIBLE FIXED ASSETS

	Short leasehold £	Vending machines £	Plant and machinery £
COST			
At 1 January 2018	15,147	20,330	5,350
Additions	3,487	211,525	10,375
Disposals	(15,147)	-	-
At 31 December 2018	3,487	231,855	15,725
DEPRECIATION			
At 1 January 2018	10,219	-	869
Charge for year	5,093	-	1,493
Eliminated on disposal	(15,147)	-	-
At 31 December 2018	165	-	2,362
NET BOOK VALUE			
At 31 December 2018	3,322	231,855	13,363
At 31 December 2017	4,928	20,330	4,481

MR LEE'S PURE FOODS CO. LTD (REGISTERED NUMBER: 09679948)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. TANGIBLE FIXED ASSETS - continued

	Fixtures, fittings and office equipment £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2018	2,961	11,640	6,869	62,297
Additions	2,499	-	1,008	228,894
Disposals	-	-	-	(15,147)
At 31 December 2018	<u>5,460</u>	<u>11,640</u>	<u>7,877</u>	<u>276,044</u>
DEPRECIATION				
At 1 January 2018	709	1,176	3,150	16,123
Charge for year	363	2,616	2,549	12,114
Eliminated on disposal	-	-	-	(15,147)
At 31 December 2018	<u>1,072</u>	<u>3,792</u>	<u>5,699</u>	<u>13,090</u>
NET BOOK VALUE				
At 31 December 2018	<u>4,388</u>	<u>7,848</u>	<u>2,178</u>	<u>262,954</u>
At 31 December 2017	<u>2,252</u>	<u>10,464</u>	<u>3,719</u>	<u>46,174</u>

10. FIXED ASSET INVESTMENTS

	Shares in group undertakin £
COST	
At 1 January 2018 and 31 December 2018	<u>60</u>
NET BOOK VALUE	
At 31 December 2018	<u>60</u>
At 31 December 2017	<u>60</u>

11. STOCKS

	2018 £	2017 as restated £
Stocks	<u>45,152</u>	<u>82,090</u>

MR LEE'S PURE FOODS CO. LTD (REGISTERED NUMBER: 09679948)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

12. DEBTORS

	2018	2017
	£	as restated £
Amounts falling due within one year:		
Trade debtors	6,666	88,326
Amounts owed by group undertakings	-	9,525
Other debtors	207,353	199,978
Directors' current accounts	24,633	-
Corporation tax	937	-
VAT	31,377	45,986
Called up share capital not paid	350,000	-
Prepayments and accrued income	13,336	43,335
	<u>634,302</u>	<u>387,150</u>
Amounts falling due after more than one year:		
Trade debtors	350,219	-
Amounts owed by group undertakings	151,449	-
Prepayments and accrued income	9,000	-
	<u>510,668</u>	<u>-</u>
Aggregate amounts	<u>1,144,970</u>	<u>387,150</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	as restated £
Trade creditors	68,483	62,071
Amounts owed to group undertakings	1	1
Social security and other taxes	68,016	21,535
Other creditors	254,012	225,000
Directors' current accounts	-	47,117
Accruals and deferred income	207,532	71,308
	<u>598,044</u>	<u>427,032</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

14. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 January 2018	(2,052,303)	2,504,234	451,931
Prior year adjustment	<u>4,461</u>		<u>4,461</u>
	(2,047,842)		456,392
Deficit for the year	(1,500,777)		(1,500,777)
Share issue	-	2,226,675	2,226,675
At 31 December 2018	<u>(3,548,619)</u>	<u>4,730,909</u>	<u>1,182,290</u>

15. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the year ended 31 December 2018 and the period ended 31 December 2017:

	2018 £	2017 as restated £
D H K Lee		
Balance outstanding at start of year	47,117	50,042
Amounts advanced	(72,685)	(2,925)
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(25,568)</u>	<u>47,117</u>

This loan is non interest bearing and was repaid on 5 April 2019.

16. RELATED PARTY DISCLOSURES

At the balance sheet date, the amount due from a subsidiary company in respect of trade debtors and other loans was £501,668 (2017 - £93,983).

The accounts of the subsidiary show that it was insolvent and dependent on its holding company for financial support. The recoverability of these balances is therefore dependent on the future trading performance of the group.

At the balance sheet date there was also an amount of £194,603 (2017 £194,603) due from the trustees of a trust that had been established for the benefit of employees of the company. The only assets of the trust are shares in the company and £100 of cash. The recoverability of this loan is therefore dependent on the future share value of the company.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2018**

17. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

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.