

REGISTERED NUMBER: 09679948 (England and Wales)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
FOR
MR LEE'S PURE FOODS CO. LTD

Carter & Coley
Chartered Accountants
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

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FOR THE YEAR ENDED 31 DECEMBER 2019**

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MR LEE'S PURE FOODS CO. LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019

DIRECTORS:

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

REGISTERED OFFICE:

3 Durrant Road
Bournemouth
Dorset
BH2 6NE

REGISTERED NUMBER:

09679948 (England and Wales)

ACCOUNTANTS:

Carter & Coley
Chartered Accountants
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

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

**BALANCE SHEET
31 DECEMBER 2019**

		2019		2018
	Notes	£	£	£
FIXED ASSETS				
Intangible assets	4	521,530		185,749
Tangible assets	5	163,849		262,954
Investments	6	<u>137</u>		<u>60</u>
		685,516		448,763
CURRENT ASSETS				
Stocks	7	182,297		45,152
Debtors	8	1,402,629		1,144,970
Cash at bank and in hand		<u>672,028</u>		<u>144,990</u>
		2,256,954		1,335,112
CREDITORS				
Amounts falling due within one year	9	<u>1,542,709</u>		<u>598,044</u>
NET CURRENT ASSETS		714,245		737,068
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,399,761</u>		<u>1,185,831</u>
CAPITAL AND RESERVES				
Called up share capital		3,847		3,541
Share premium	10	6,478,109		4,730,909
Retained earnings	10	<u>(5,082,195)</u>		<u>(3,548,619)</u>
SHAREHOLDERS' FUNDS		<u>1,399,761</u>		<u>1,185,831</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

BALANCE SHEET - continued
31 DECEMBER 2019

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 21 December 2020 and were signed on its behalf by:

D H K Lee - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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.

Website and 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 2019**

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. ACCOUNTING POLICIES - continued

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 11 (2018 - 9) .

4. INTANGIBLE FIXED ASSETS

	New product development £	Intellectual property £	Website and domain names £	Vending machine development £	Totals £
COST					
At 1 January 2019	73,977	50,000	3,800	94,284	222,061
Additions	39,554	-	25,020	172,278	236,852
Reclassification/transfer	-	-	-	120,950	120,950
At 31 December 2019	<u>113,531</u>	<u>50,000</u>	<u>28,820</u>	<u>387,512</u>	<u>579,863</u>
AMORTISATION					
At 1 January 2019	21,575	14,167	570	-	36,312
Amortisation for year	14,898	5,000	2,123	-	22,021
At 31 December 2019	<u>36,473</u>	<u>19,167</u>	<u>2,693</u>	<u>-</u>	<u>58,333</u>
NET BOOK VALUE					
At 31 December 2019	<u>77,058</u>	<u>30,833</u>	<u>26,127</u>	<u>387,512</u>	<u>521,530</u>
At 31 December 2018	<u>52,402</u>	<u>35,833</u>	<u>3,230</u>	<u>94,284</u>	<u>185,749</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. TANGIBLE FIXED ASSETS

	Short leasehold £	Vending machines £	Plant and machinery £
COST			
At 1 January 2019	3,487	231,855	15,725
Additions	6,628	11,727	5,164
Disposals	-	-	(15,538)
Reclassification/transfer	-	(120,950)	-
At 31 December 2019	<u>10,115</u>	<u>122,632</u>	<u>5,351</u>
DEPRECIATION			
At 1 January 2019	165	-	2,362
Charge for year	2,393	6,131	2,491
Eliminated on disposal	-	-	(2,067)
At 31 December 2019	<u>2,558</u>	<u>6,131</u>	<u>2,786</u>
NET BOOK VALUE			
At 31 December 2019	<u>7,557</u>	<u>116,501</u>	<u>2,565</u>
At 31 December 2018	<u>3,322</u>	<u>231,855</u>	<u>13,363</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. TANGIBLE FIXED ASSETS - continued

	Fixtures, fittings and office equipment £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2019	5,460	11,640	7,877	276,044
Additions	23,943	-	12,008	59,470
Disposals	(340)	-	(2,474)	(18,352)
Reclassification/transfer	-	-	-	(120,950)
At 31 December 2019	<u>29,063</u>	<u>11,640</u>	<u>17,411</u>	<u>196,212</u>
DEPRECIATION				
At 1 January 2019	1,072	3,792	5,699	13,090
Charge for year	3,448	1,962	5,082	21,507
Eliminated on disposal	(167)	-	-	(2,234)
At 31 December 2019	<u>4,353</u>	<u>5,754</u>	<u>10,781</u>	<u>32,363</u>
NET BOOK VALUE				
At 31 December 2019	<u>24,710</u>	<u>5,886</u>	<u>6,630</u>	<u>163,849</u>
At 31 December 2018	<u>4,388</u>	<u>7,848</u>	<u>2,178</u>	<u>262,954</u>

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2019	60
Additions	<u>77</u>
At 31 December 2019	<u>137</u>
NET BOOK VALUE	
At 31 December 2019	<u>137</u>
At 31 December 2018	<u>60</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

7. STOCKS

	2019	2018
	£	£
Stocks	<u>182,297</u>	<u>45,152</u>

8. DEBTORS

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	86,643	6,666
Amounts owed by group undertakings	1,076,077	-
Other debtors	206,603	207,353
Directors' current accounts	-	24,633
Corporation tax	937	937
VAT	18,558	31,377
Called up share capital not paid	-	350,000
Prepayments and accrued income	<u>13,811</u>	<u>13,336</u>
	<u>1,402,629</u>	<u>634,302</u>

Amounts falling due after more than one year:

Trade debtors	-	350,219
Amounts owed by group undertakings	-	151,449
Prepayments and accrued income	<u>-</u>	<u>9,000</u>
	<u>-</u>	<u>510,668</u>

Aggregate amounts	<u>1,402,629</u>	<u>1,144,970</u>
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9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	155,292	68,483
Amounts owed to group undertakings	1	1
Social security and other taxes	18,390	68,016
Other creditors	1,294,982	254,012
Directors' current accounts	4,551	-
Accruals and deferred income	<u>69,493</u>	<u>207,532</u>
	<u>1,542,709</u>	<u>598,044</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 January 2019	(3,548,619)	4,730,909	1,182,290
Deficit for the year	(1,533,576)		(1,533,576)
Share issue	-	1,747,200	1,747,200
At 31 December 2019	<u>(5,082,195)</u>	<u>6,478,109</u>	<u>1,395,914</u>

11. CONTINGENT LIABILITIES

The company is disputing a claim of £80,765 from a former landlord. A provision of £28,160 has been made in the financial statements for this claim.

12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2019 and 31 December 2018:

	2019 £	2018 £
D H K Lee		
Balance outstanding at start of year	24,633	(47,117)
Amounts advanced	-	71,750
Amounts repaid	(24,633)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>24,633</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

13. RELATED PARTY DISCLOSURES

TRANSACTIONS WITH GROUP COMPANIES

At the balance sheet date, the amount due from group companies in respect of trade debtors and other loans was £1,076,077 (2018 - £501,668). These balances are non interest bearing and no terms of repayment have been agreed.

The recoverability of these balances is dependent on the future trading performance of the group.

TRANSACTIONS WITH OTHER RELATED PARTIES

At the balance sheet date there was also an amount of £194,603 (2018 £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 £1 of cash. The recoverability of this loan is therefore dependent on the future share value of the company.

TRANSACTIONS WITH DIRECTORS

Non interest bearing loans on which no terms of repayment have been agreed. The amount due to the related parties at the balance sheet date amounted to £4,551 (2018 - NIL).

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
MR LEE'S PURE FOODS CO. LTD**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Mr Lee's Pure Foods Co. Ltd for the year ended 31 December 2019 which comprise the Statement of Income and Retained Earnings, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Mr Lee's Pure Foods Co. Ltd, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Mr Lee's Pure Foods Co. Ltd and state those matters that we have agreed to state to the Board of Directors of Mr Lee's Pure Foods Co. Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Mr Lee's Pure Foods Co. Ltd and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Mr Lee's Pure Foods Co. Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Mr Lee's Pure Foods Co. Ltd. You consider that Mr Lee's Pure Foods Co. Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Mr Lee's Pure Foods Co. Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Carter & Coley
Chartered Accountants
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

21 December 2020

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.