

**Company Registration No. 10521323 (England and Wales)**

**JOE'S TEA COMPANY LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**  
**PAGES FOR FILING WITH REGISTRAR**

**JOE'S TEA COMPANY LTD**

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# JOE'S TEA COMPANY LTD

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Non-current assets</b>					
Intangible assets	3		-		17,800
<b>Current assets</b>					
Inventories		-		125,380	
Trade and other receivables	5	1,000		46,859	
Cash and cash equivalents		-		8,501	
		<u>1,000</u>		<u>180,740</u>	
<b>Current liabilities</b>	6	-		(165,782)	
<b>Net current assets</b>			1,000		14,958
<b>Total assets less current liabilities</b>			1,000		32,758
<b>Non-current liabilities</b>	7		-		(205,000)
<b>Net assets/(liabilities)</b>			<u>1,000</u>		<u>(172,242)</u>
<b>Equity</b>					
Called up share capital	8		1,000		1,000
Share premium account			26,749		26,749
Other reserves			145,174		145,174
Retained earnings			(171,923)		(345,165)
<b>Total equity</b>			<u>1,000</u>		<u>(172,242)</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

## **JOE'S TEA COMPANY LTD**

### **STATEMENT OF FINANCIAL POSITION (CONTINUED)**

***AS AT 31 MARCH 2022***

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The financial statements were approved by the board of directors and authorised for issue on 27 March 2023 and are signed on its behalf by:

S.B Herath  
**Director**

**Company Registration No. 10521323**

# JOE'S TEA COMPANY LTD

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **1 Accounting policies**

#### **Company information**

Joe's Tea Company Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Devonshire House, 1 Devonshire Street, London, W1W 5DR.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The company transferred its trade and certain assets and liabilities to its parent undertaking effective 31 March 2022. As the company has now ceased trading, the financial statements have been prepared on a basis other than going concern. The nature of the reorganisation was such that the directors are satisfied that there was no material impact of the carrying values of the assets and liabilities held at the year end.

#### **1.3 Revenue**

Revenue represents amounts receivable for goods sold net of VAT (where applicable) and trade discounts. Revenue is recognised at the point of sale when it is probable that the economic benefits associated with the transaction will flow to the company and the amount of the revenue can be reliably measured.

#### **1.4 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

#### **1.5 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks

Estimated useful lives of 3 years

#### **1.6 Property, plant and equipment**

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# JOE'S TEA COMPANY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	50% straight line
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#### 1.7 Inventories

Inventories comprise finished goods and are stated at the lower of cost and estimated selling price less costs to sell. Costs comprise finished goods and, where applicable, those overheads that have been incurred in bringing the inventories to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented 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.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and loans from fellow group companies, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, 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.

# JOE'S TEA COMPANY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.11 Taxation

The tax expense represents the sum of the tax currently payable.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

##### *Coronavirus Job Retention Scheme*

The Coronavirus Job Retention Scheme ("CJRS") results in cash payments from the government to compensate employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working for the employer).

The CJRS grant is recognised under the accruals model, and is recognised as income on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. As such the income from the grant is recognised on a straight line basis over the furlough period for each relevant employee.

#### 1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the statement of comprehensive income for the period.

# JOE'S TEA COMPANY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	1	2
	<u>1</u>	<u>2</u>

### 3 Intangible fixed assets

	Goodwill £	Trademarks £	Total £
<b>Cost</b>			
At 1 April 2021	89,000	6,106	95,106
Disposals	(89,000)	(6,106)	(95,106)
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2022	-	-	-
<b>Amortisation and impairment</b>			
At 1 April 2021	71,200	6,106	77,306
Amortisation charged for the year	8,660	-	8,660
Impairment losses	9,140	-	9,140
Disposals	(89,000)	(6,106)	(95,106)
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2022	-	-	-
<b>Carrying amount</b>			
At 31 March 2022	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	17,800	-	17,800
	<u>17,800</u>	<u>-</u>	<u>17,800</u>



# JOE'S TEA COMPANY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 4 Property, plant and equipment

	Fixtures, fittings & equipment
	£
<b>Cost</b>	
At 1 April 2021	6,534
Additions	944
Transfers	(7,478)
	<hr/>
At 31 March 2022	-
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2021	6,534
Depreciation charged in the year	381
Transfers	(6,915)
	<hr/>
At 31 March 2022	-
	<hr/>
<b>Carrying amount</b>	
At 31 March 2022	-
	<hr/>
At 31 March 2021	-
	<hr/>

### 5 Trade and other receivables

	2022	2021
	£	£
<b>Amounts falling due within one year:</b>		
Trade receivables	-	28,819
Amounts owed by group undertakings	1,000	-
Other receivables	-	18,040
	<hr/>	<hr/>
	1,000	46,859
	<hr/>	<hr/>

### 6 Current liabilities

	2022	2021
	£	£
Trade payables	-	11,725
Amounts owed to group undertakings	-	144,579
Other payables	-	9,478
	<hr/>	<hr/>
	-	165,782
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# JOE'S TEA COMPANY LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 7 Non-current liabilities

	2022 £	2021 £
Amounts owed to group undertakings	-	205,000

### 8 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary 'A' shares of £1 each	750	750	750	750
Ordinary 'B' shares of £1 each	250	250	250	250
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

### 9 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Description of transaction	Income		Payments	
		2022 £	2021 £	2022 £	2021 £
Entities with control over the company	Inter company purchases	228,351	-	270,260	193,804
Other related parties	Inter company purchases	-	-	-	3,982

#### Balances with related parties

The following amounts were outstanding at the reporting end date:

	Amounts owed by		Amounts owed to	
	2022 £	2021 £	2022 £	2021 £
Entities with control over the company	1,000	-	-	352,257
Other related parties	-	-	-	1,782

### 10 Parent company

The parent company of Joe's Tea Company Ltd is English Tea Shop (UK) Ltd, which shares the same registered office as the company.

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.