
LUMINARY BAKERY LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 JULY 2020

LUMINARY BAKERY LIMITED
REGISTERED NUMBER: 11450761

BALANCE SHEET
AS AT 31 JULY 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	4	7,058	8,899
Tangible assets	5	123,956	17,147
		<u>131,014</u>	<u>26,046</u>
Current assets			
Stocks	6	9,759	3,500
Debtors: amounts falling due within one year	7	18,141	41,838
Cash at bank and in hand	8	69,778	81,195
		<u>97,678</u>	<u>126,533</u>
Creditors: amounts falling due within one year	9	(117,077)	(38,995)
Net current (liabilities)/assets		<u>(19,399)</u>	<u>87,538</u>
Total assets less current liabilities		<u>111,615</u>	<u>113,584</u>
Creditors: amounts falling due after more than one year	10	-	(10,832)
Net assets		<u><u>111,615</u></u>	<u><u>102,752</u></u>
Capital and reserves			
Called up share capital	11	5	4
Share premium account		262,469	62,475
Capital contribution		30,000	30,000
Profit and loss account		(180,859)	10,273
		<u><u>111,615</u></u>	<u><u>102,752</u></u>

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

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BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2020

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf

on 28 January 2021.

A E L Williams
Director

E M Simmons
Director

LUMINARY BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1. General information

Luminary Bakery is a private company limited by shares and incorporated in England and Wales. The registered office address of the company is 71-73 Allen Road, Stoke Newington, Hackney, London, N16 8RY.

The company was incorporated on 5 July 2018 and commenced trading on 1 June 2019. The year to 31 July 2020 is the company's first full year of trade.

The principal activity of the company is that of a cafe and bakery.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

Since March 2020 the company has had to deal with the coronavirus pandemic and the associated measures that governments, customers, suppliers and finance providers are putting in place to deal with it. While the company will undoubtedly suffer some adverse impact from this in the short and medium term, the directors are confident that they can work through the disruption and that the company's business plans are robust even in the current situation. On the basis of the above the accounts have been prepared on the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.8 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the statement of comprehensive income over its useful economic life of five years.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Plant & machinery	-	7 year straight line
Fixtures & fittings	-	7 year straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

2. Accounting policies (continued)

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 33 (2019 - 20).

LUMINARY BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

4. Intangible assets

	Goodwill £
Cost	
At 1 August 2019	9,206
At 31 July 2020	<u>9,206</u>
Amortisation	
At 1 August 2019	307
Charge for the year on owned assets	<u>1,841</u>
At 31 July 2020	<u>2,148</u>
Net book value	
At 31 July 2020	<u><u>7,058</u></u>
At 31 July 2019	<u><u>8,899</u></u>

Goodwill was introduced on the transfer of the business from Kahailia to Luminary Ltd. The goodwill was then transferred from Luminary Ltd to Luminary Bakery Ltd on 31 May 2019 and is being amortised over 5 years.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

5. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Total £
Cost or valuation			
At 1 August 2019	15,566	2,000	17,566
Additions	-	123,588	123,588
At 31 July 2020	<u>15,566</u>	<u>125,588</u>	<u>141,154</u>
Depreciation			
At 1 August 2019	371	48	419
Charge for the year on owned assets	2,224	14,555	16,779
At 31 July 2020	<u>2,595</u>	<u>14,603</u>	<u>17,198</u>
Net book value			
At 31 July 2020	<u>12,971</u>	<u>110,985</u>	<u>123,956</u>
At 31 July 2019	<u>15,195</u>	<u>1,952</u>	<u>17,147</u>

During the year the company incurred capital expenditure in relation to fitting out a new bakery/cafe in Chalk Farm which opened on 10 October 2019.

6. Stocks

	2020 £	2019 £
Raw materials, consumables, cookbooks and merchandise	9,759	3,500
	<u>9,759</u>	<u>3,500</u>

Stock includes cookbooks and merchandise items amounting to £2,955 which were purchased towards the end of the year and sold after the year end. The remaining stock relates to raw materials and packaging.

LUMINARY BAKERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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7. Debtors

	2020 £	2019 £
Trade debtors	1,310	28,069
Other debtors	13,885	7,378
Prepayments and accrued income	2,946	6,391
	<u>18,141</u>	<u>41,838</u>

Trade debtors have decreased this year as a result of the company switching from wholesale where payment was received after the invoice to receiving payments upfront. The company have also invested in payment processing software which has made it easier for customers to pay.

Other debtors include intercompany transactions with Luminary Ltd in relation to a rent deposit and lift deposit amounting to £9,932. Other debtors also includes the July 2020 Coronavirus Job Retention Scheme furlough claim which was received in August 2020.

8. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	69,778	81,195
	<u>69,778</u>	<u>81,195</u>

LUMINARY BAKERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**

9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	36,635	1,573
Other taxation and social security	12,045	502
Other creditors	39,670	18,668
Accruals and deferred income	28,727	18,252
	<u>117,077</u>	<u>38,995</u>

Trade creditors include £9,619 due to Luminary Ltd.

The company took advantage of the available VAT payment deferment for their 31 March 2020 liability. This is included within other taxation and social security at the year end.

The company pays their staff wages in arrears. Included within other creditors are the net wages due to staff for July 2020.

Other creditors also includes a balance of £9,502 due to Luminary Ltd.

10. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Accruals and deferred income	-	10,832
	<u>-</u>	<u>10,832</u>

11. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
20,000 (2019 - 20,000) Ordinary A shares of £0.0001 each	2	2
13,722 (2019 - 4,900) Ordinary B shares of £0.0001 each	1	-
19,216 (2019 - 19,200) Ordinary C shares of £0.0001 each	2	2
	<u>5</u>	<u>4</u>

On 9 August 2019, 6,727 Ordinary B Shares of £0.0001 each were issued at £22.67 per share.

On 30 October 2019, 2,095 Ordinary B Shares of £0.0001 each were issued at £22.67 per share.

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £7,498 (2019: £1,136). Contributions totalling £3,653 (2019: £3,029) were payable to the fund at the balance sheet date.

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.